

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input checked="" type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name City of Oak Park	County Oakland
Fiscal Year End June 30, 2007	Opinion Date November 2, 2007	Date Audit Report Submitted to State December 14, 2007	

We affirm that:

We are certified public accountants licensed to practice in Michigan.


We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES NO **Check each applicable box below.** (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☐ ☒ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) Post, Smythe, Lutz and Ziel of Plymouth LLP		Telephone Number 248-644-9125	
Street Address 3707 W. Maple Road, Suite 101		City Bloomfield Hills	State MI
		Zip 48301	
Authorizing CPA Signature 	Printed Name Rana M. Emmons		License Number 1101022716

CITY OF OAK PARK, MICHIGAN

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

FOR THE YEAR ENDING

JUNE 30, 2007

SUBMITTED TO THE

2007 CITY COUNCIL

Gerald E. Naftaly, Mayor

Michael M. Seligson, Mayor Pro Tem

Willie Horton, Councilman

Angela Diggs Jackson, Councilwoman

Kirk Yousif, Councilman

Prepared By:

The Department of Finance and
Administrative Services

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Oak Park
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

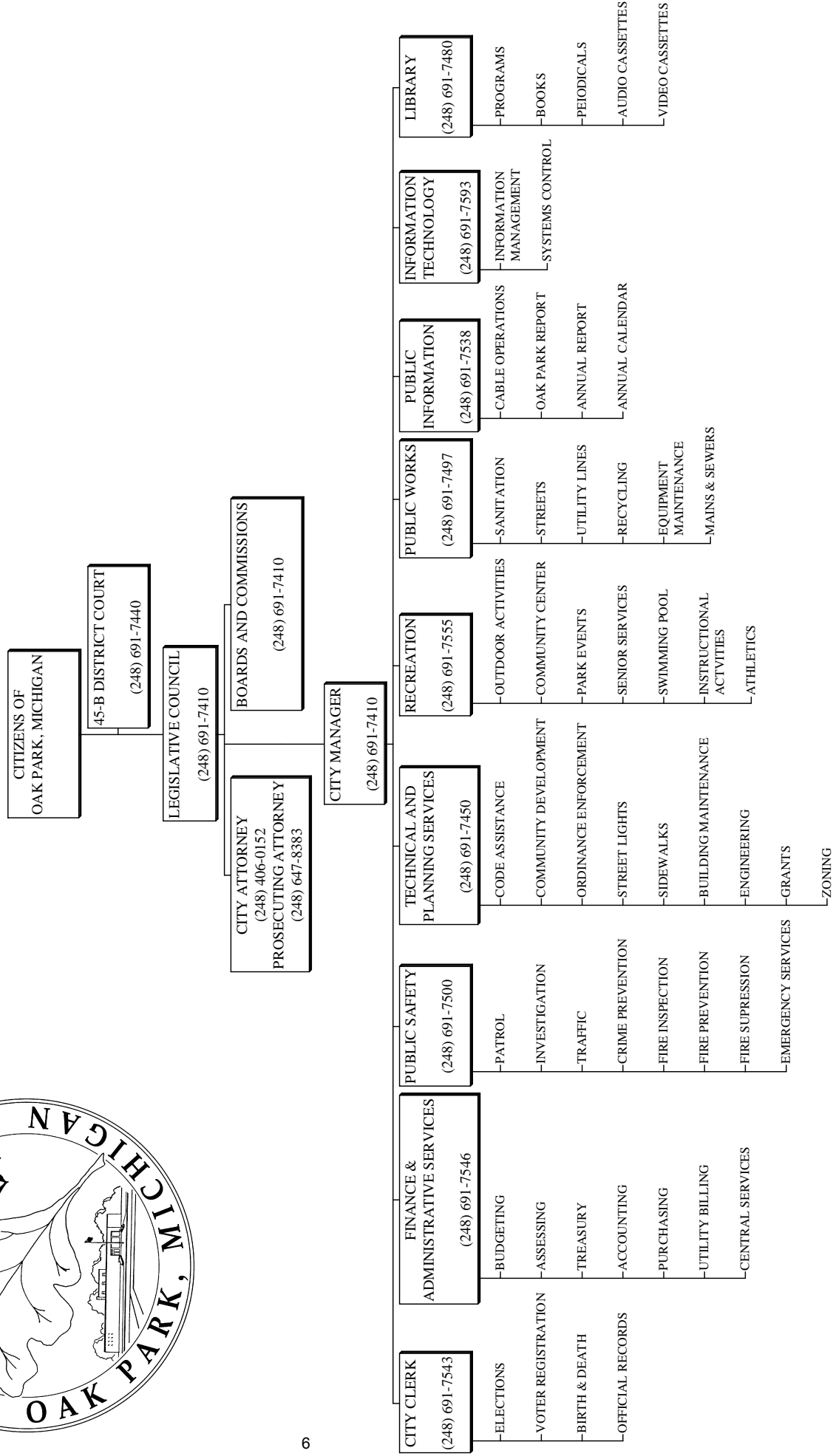


President

Executive Director



City of Oak Park



**CITY OF OAK PARK
2007
PRINCIPAL OFFICIALS**

<u>TITLE</u>	<u>NAME OF OFFICIAL</u>
City Manager	James Hock
Assistant City Manager	Roy Srini
City Clerk	Sandra Gadd
Director of Finance and Administrative Services	James Ghedotte
City Attorney	John Carlson
Library Director	John Martin
Director of Public Information	Melvyn Newman
Director of Technical and Planning Services	Michael McReynolds
Director of Public Works/City Engineer	Kevin Yee
Director of Public Safety	John M. McNeilance
Director of Recreation	Roy Vultaggio
Director of Information Technology	Jeffrey Schefke
Deputy City Clerk	Angela Y. Brunke
Deputy Treasurer	Kathleen Lindroth
Deputy Finance Director	Saundra Crawford
City Assessor	M. Dean Bush
Water Supervisor	Eugene Czewski
Deputy Director of Technical and Planning Services/ City Planner	Kevin Rulkowski
Building Division Supervisor	Eric McDonald
General Foreman	Ray Krajewski
General Foreman	Gary Shermetaro
Deputy Director of DPW	Rocco Fortura
Deputy Director of Recreation	Scott Pratt
Senior Services Coordinator	Rhoda Horner

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Certified Public Accountants

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Independent Auditor's Report

November 2, 2007

To the Honorable Mayor and
Members of the City Council
City of Oak Park
Oakland County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Oak Park, Michigan as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Oak Park's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Oak Park, Michigan, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the defined benefit pension plans trend information, as listed in the table of contents on pages 11 through 23 and page 77, are not a required part of the basic financial statements but are supplementary information

To the Honorable Mayor and
Members of the City Council
City of Oak Park, Michigan

required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on them.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oak Park, Michigan's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical tables as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables, as listed in the table of contents, have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully,

A handwritten signature in black ink that reads "Post, Smythe, Lutz + Ziel of Plymouth". The signature is written in a cursive, flowing style.

Post, Smythe, Lutz and Ziel of Plymouth LLP
Certified Public Accountants



CITY OF OAK PARK

"The Family City"

James Ghedotte

Director of Finance and Administrative Services

Mayor

Gerald E. Naftaly

Mayor Pro Tem

Michael M. Seligson

Councilmember

Willie Horton

Angela Diggs Jackson

Kirk Yousif

MANAGEMENT DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Oak Park's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2007. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The City's net assets increased as a result of this year's operations. Net assets of our business-type activities increased by \$1,417,173, or 10.82 percent; net assets of our governmental activities increased by \$1,043,908, or 5.62 percent.
- During the year, the City had revenues in Governmental Funds that were \$5.92 million less than the \$34.71 million in expenditures.
- In the City's business-type activities, revenues were \$9.252 million while expenses were \$7.835 million.
- Total cost of all of the City's programs was \$35.8 million.
- The General Fund reported revenues in excess of expenditures of \$27,701.
- The resources available for appropriation were \$834,413 less than budgeted in the General Fund. Expenditures were \$1,191,988 less than budgeted. The General Fund added \$27,701 of fund balance instead of using \$323,584 as projected in the final budget.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are for governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the City as a whole begins with the Statement of Net Assets. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes in them. You can think of the City's net assets—the difference between assets and liabilities—as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

In the Statement of Net Assets and the Statement of Activities, we divide the City into three kinds of activities:

- **Governmental activities**—Most of the City's basic services are reported here, including public safety, public works, recreation, and general administration. Property taxes, franchise fees, and state grants finance most of these activities.
- **Business-type activities**—The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system is reported here.
- **Component units**—The City includes two separate legal entities in its report—the Economic Development Corporation and the Brownfield Authority. Although legally separate, these "component units" are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

Fund Financial Statements

Our analysis of the City's major funds begins on page 13. The fund financial statements begin on page 25 and provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes (like the Municipal Building Construction Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the U.S. Department of Housing and Urban Development). The City's two kinds of funds—governmental and proprietary—use different accounting approaches.

- **Governmental funds**—Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation following the fund financial statements.

- **Proprietary funds**—When the City charges customers for the services it provides—whether to outside customers or to other units of the City—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the

Statement of Activities. In fact, the City’s enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City’s other programs and activities—such as the City’s Motor Pool Fund.

The City as Trustee

Reporting the City’s Fiduciary Responsibilities

The City is the trustee, or fiduciary, for its employees’ pension plan. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. All of the City’s fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 37 and 38. We exclude these activities from the City’s other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE CITY AS A WHOLE

The City’s combined net assets were increased from a year ago— from \$31.7 million to \$34.1 million. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City’s governmental and business-type activities.

Table 1
Net Assets
(In Thousands)

	Governmental Activities		Business- type Activities		Total Primary Government	
	2006	2007	2006	2007	2006	2007
Current and other assets	\$23,325,062	\$17,552,058	\$4,639,838	\$4,256,392	\$27,964,900	\$21,808,450
Capital Assets	<u>28,503,222</u>	<u>33,850,013</u>	<u>26,260,353</u>	<u>27,132,640</u>	<u>54,763,575</u>	<u>60,982,653</u>
Total Assets	<u>51,828,284</u>	<u>51,402,071</u>	<u>30,900,191</u>	<u>31,389,032</u>	<u>\$82,728,475</u>	<u>\$82,791,103</u>
Long-term debt outstanding	29,055,000	27,475,000	16,921,387	16,091,554	45,976,387	43,566,554
Other liabilities	<u>4,198,036</u>	<u>4,307,915</u>	<u>887,794</u>	<u>789,295</u>	<u>5,085,830</u>	<u>5,097,210</u>
Total Liabilities	33,253,036	31,782,915	17,809,181	16,880,849	51,062,217	48,663,764
Net Assets:						
Invested in capital assets, net of debt	5,900,897	6,375,013	9,338,966	11,041,086	15,239,863	17,416,099
Restricted	7,544,580	9,519,782	0	0	7,544,580	9,519,782
Unrestricted	<u>5,129,771</u>	<u>3,724,361</u>	<u>3,752,044</u>	<u>3,467,097</u>	<u>8,881,815</u>	<u>7,191,458</u>
Total Net Assets	<u>18,575,248</u>	<u>19,619,156</u>	<u>\$13,091,010</u>	<u>\$14,508,183</u>	<u>\$31,666,258</u>	<u>\$34,127,339</u>

Net assets of the City’s governmental activities increased by 5.62 percent, \$19.62 million compared to \$18.57 million. Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—changed from \$5.1 million at June 30, 2006 to \$3.7 million at the end of this year.

Governmental net assets increased because the City added \$5.1 million in assets while depreciation costs were \$3.1 million.

The net assets of our business-type activities increased by 10.82 percent (\$14.51 million compared to \$13.09 million in 2006). This increase was due to revenues exceeding expenses. This trend is expected to change as the City begins replacing its infrastructure (water and sewer mains).

Table 2
Changes in Net Assets
(In Thousands)

	Governmental Activities		Business- type Activities		Total Primary Government	
	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
Revenues						
Program Revenues:						
Charges for Services	\$4,452,568	\$4,415,293	\$10,547,749	\$9,034,465	\$15,000,317	\$13,449,758
Federal Grants	195,348	160,365	0	0	195,348	160,365
State Grants	1,890,717	1,889,484	0	0	1,890,717	1,889,484
Other	0	31,066	0	0	0	31,066
General Revenues:						
Property Taxes	20,294,741	20,977,326	0	0	20,294,741	20,977,326
Other Taxes	460,244	518,234	0	0	460,244	518,234
Investment Earnings	<u>623,633</u>	<u>1,073,459</u>	<u>109,594</u>	<u>167,869</u>	<u>733,227</u>	<u>1,241,328</u>
Total Revenues	<u>27,917,251</u>	<u>29,065,227</u>	<u>10,657,343</u>	<u>9,202,334</u>	<u>38,574,594</u>	<u>38,267,561</u>
Program Expenses:						
General Government	5,154,667	5,067,647	0	0	5,154,667	5,067,647
Judicial	2,270,554	2,268,921	0	0	2,270,554	2,268,921
Public Safety	10,720,861	11,089,786	0	0	10,720,861	11,089,786
Road Maintenance	3,318,828	2,708,853	0	0	3,318,828	2,708,853
Public Works	1,365,837	1,096,676	0	0	1,365,837	1,096,676
Health & Sanitation	2,124,102	2,186,048	0	0	2,124,102	2,186,048
Culture & Recreation	1,356,385	1,268,706	0	0	1,356,385	1,268,706
Library	885,081	836,669	0	0	885,081	836,669
Community Development	260,461	299,539	0	0	260,461	299,539
Interest on Long-term Debt	707,092	1,148,474	528,762	494,477	1,235,854	1,642,951
Water & Sewer	<u>0</u>	<u>0</u>	<u>7,511,092</u>	<u>7,340,684</u>	<u>7,511,092</u>	<u>7,340,684</u>
Total Expenses	<u>28,163,868</u>	<u>27,971,319</u>	<u>8,039,854</u>	<u>7,835,161</u>	<u>36,203,722</u>	<u>35,806,480</u>
Excess (shortage) before Transfers	(246,617)	1,093,908	2,617,489	1,367,173	2,370,872	2,461,081
Transfers	<u>(50,000)</u>	<u>(50,000)</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>0</u>
Increase (Decrease) in Net Assets	<u>(\$ 296,617)</u>	<u>\$1,043,908</u>	<u>\$ 2,667,489</u>	<u>\$ 1,417,173</u>	<u>\$2,370,872</u>	<u>\$2,461,081</u>

The City's total revenues for all programs and services decreased by .8 percent (\$307,033). The total cost of all programs and services was decreased 1.1 percent (\$397,242).

Governmental Activities

Revenues for the City's governmental activities increased by 4.1 percent (\$1,147,976), while total expenses decreased .7 percent (\$192,549).

Table 3 presents the cost of each of the City's six largest programs—judicial, public safety, road maintenance, public works, health & sanitation, and recreation—as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3
Governmental Activities
(In Thousands)

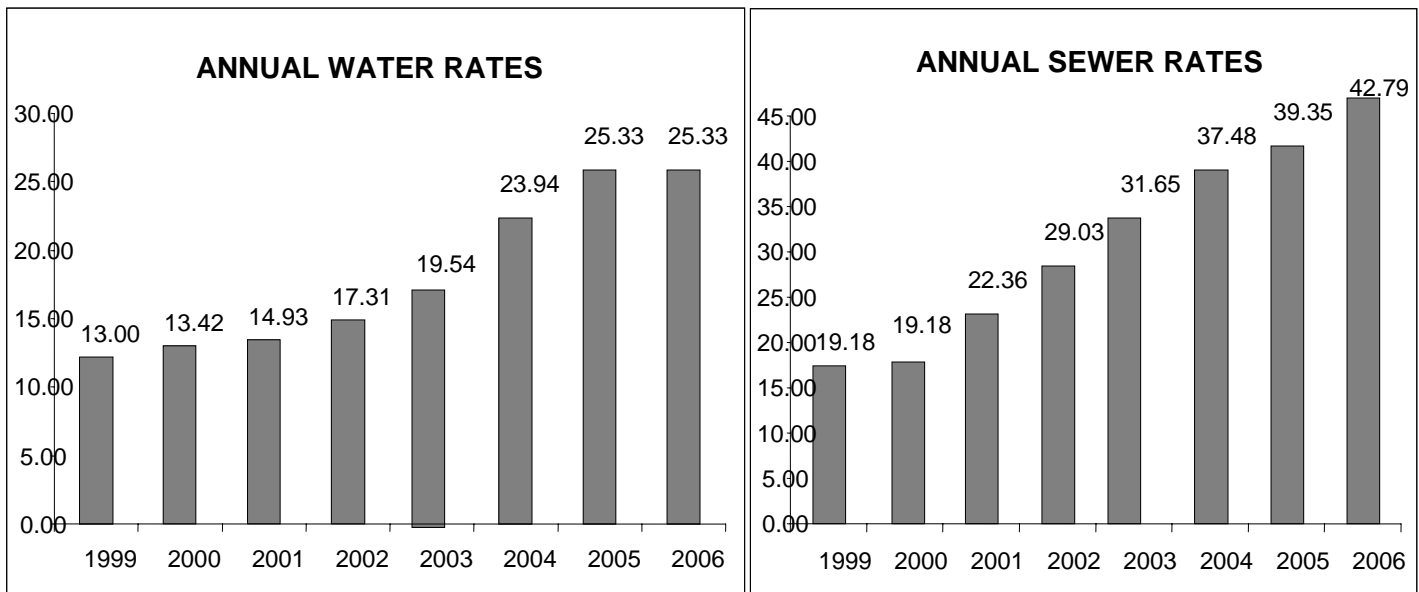
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>		
	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
Judicial	\$ 2,270,554	\$ 2,268,921	\$ (1,504,765)	\$ (1,493,803)
Public Safety	10,720,861	11,089,786	(8,859,029)	(9,218,472)
Road Maintenance & Repair	3,318,828	2,708,853	(1,646,951)	(1,006,253)
Public Works	1,365,837	1,096,676	(1,234,538)	(877,002)
Health & Sanitation	2,124,102	2,186,048	(1,623,214)	(1,608,428)
Recreation	1,356,385	1,268,706	(924,478)	(799,333)
All others	6,300,209	6,203,855	(5,125,168)	(5,323,346)
Interest on long-term debt	<u>707,092</u>	<u>1,148,474</u>	<u>(707,092)</u>	<u>(1,148,474)</u>
Totals	\$ 28,163,868	\$ 27,971,319	(\$ 21,625,235)	(\$ 21,475,111)

Business-type Activities

The City has one business-type activity: the water and sewer system. Revenues of the City's Water and Sewer Fund (see Table 2) decreased by 13.65 percent (\$10.66 million in FY 2005-2006 compared to \$9.202 million in FY 2006-2007) and expenses decreased by 2.54 percent (\$8.040 million in FY 2005-2006 compared to \$7.835 million in FY 2006-2007). The City experienced a net income of \$1,417,173 in its Water and Sewer Fund. This was a decrease from FY 2005-2006 income of \$2,667,489. The factors driving these results include:

The City's water and sewer system is old and aging. The City has posted a net income in each of the last five fiscal years, which has led to the general overall health of this fund. It is expected that infrastructure improvements in the near future will be funded from reserves. Continuing improvements in the water and sewer system should provide its users with quality services through the end of this century.

Water rates were not increased from \$25.33 per 1,000 cubic feet in FY 2006-2007. Sewer rates increased from \$39.35 to \$42.79 per 1,000 cubic feet. A recent history of the City's water and sewer rates follows:



THE CITY'S FUNDS

As the City completed the year, its governmental funds (as presented in the balance sheet on page 27) reported a combined fund balance of \$12.861 million, which is below last year's total of \$18.784 million. Included in this year's total change in fund balance is an increase of \$27,701 in the City's General Fund. In addition, these other changes in fund balances should be noted:

The City was allowed by State law to increase its property tax by 3.3% (the raw rate of inflation). The assessed value of property in the City increased more (3.73%) however because of property tax limitation laws tax revenue was limited. State shared revenue increased in the General Fund by 1.56 percent (\$62,728). The State of Michigan collects sales tax and redistributes a portion of these collections to local jurisdictions. The City received increased amounts because of the City annexed property increasing its population which is used in the revenue sharing formula.

The City spent \$5,136,124 in the last fiscal year in the Road Construction Fund which contributed to the decrease in fund balance.

The City borrowed \$11.5 million in FY 2002-2003 and \$11,000,000 in FY 2005-2006 for the reconstruction of roads that was placed in a Capital Projects Fund. This is a six-year construction program that began three years ago. An amount of \$8.680 million remains in the Street Improvement fund balance. The City's fund balance changed in many of its governmental funds due to several factors:

The City's Major Street Fund decreased fund balance \$767,143. This occurred because of \$1.199 million expended for the reconstruction of two of the city's major streets.

General Fund Budgetary Highlights

Over the course of the year, the City Council revised the City budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved as projects and contracts were competitively bid and come in higher than originally budgeted. The second included Council approved increases in appropriations when the FY 2007-2008 budget was passed.

These appropriations were to adjust the original budget when departments submitted estimated year-end figures that exceeded current budgeted amounts. Finally, the budget was amended at the last City Council meeting of the Fiscal Year to prevent budget overruns.

The actual charges to appropriations (expenditures) were \$1.19 million less than the final budget amounts in the General Fund although three departments exceeded their budget. The variances were with the City Attorney Department (\$6,057), Department of Public Information (\$10,324) and the Library (\$21,687), which were over budget due to salaries and fees paid after the end of the fiscal year which were earned before June 30, 2007.

Resources available for appropriation were \$834,413 below the final budgeted amount. Contributions from other funds were lower than expected, accounting for the majority of this variance.

General Fund Revenue. The following paragraphs analyze the activities of the City's major funds. General Fund revenues totaled \$20,739,779, an increase of 2.36 percent from the prior year. Revenues by source were as follows:

General Fund Revenue:

<u>Revenue</u>	<u>FY 2005-2006 Amount</u>	<u>FY 2006-2007 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease) from FY 2005-2006</u>
Property Taxes	\$ 11,819,947	\$ 12,474,863	60.15%	\$654,916	5.54%
Licenses & Permits	416,152	397,567	1.92	(18,585)	(4.47)
Charges for Services	509,496	524,131	2.53	14,635	2.87
Fines and Forfeits	1,929,807	2,074,737	10.00	144,930	7.51
Intergovernmental	4,013,427	4,076,155	19.65	62,728	1.56
Interest Income	193,885	304,905	1.47	111,020	57.26
Miscellaneous	<u>1,378,951</u>	<u>887,421</u>	<u>4.28</u>	<u>(491,530)</u>	<u>(35.65)</u>
Totals	<u>\$20,261,665</u>	<u>\$20,739,779</u>	<u>100%</u>	<u>\$478,114</u>	<u>2.36</u>

Ad Valorem taxes provide the City's primary source of revenue. Current collections remain high at 90.19 percent, and the City's total tax rate of 23.8150 per \$1,000 of taxable value is at the state's legal limit as provided for by the Headlee Amendment and the Truth in Taxation Act.

Assessed values in the City raised an average of 3.73%, led by an increase of 5.76% in Residential Real Property values. Property tax revenue was limited to an increase of 3.30%. The tax rate for operating purposes decreased slightly from 16.3777 mills in Fiscal Year 2005 – 2006 to 16.3613 in Fiscal Year 2006 - 2007.

Licenses and permits decreased by 4.47%. The number of permits decreased by 95 permits and the total value of new construction was \$9.07 million in FY 2006 - 2007. This increase is an indication of investments made by individuals in their personal residence returning to a normal level after a record low year in FY 2002-2003.

Charges for Services increased 2.87% indicating higher usage of recreation programs in FY 2006 – 2007.

Ordinance Fines levied by the 45-B District Court account for an increase of 7.51% in Fines and Forfeits. The increase is due to more tickets issued by the Department of Public Safety because the city increased the number of officers on duty from six per shift to seven per shift.

Intergovernmental Revenues increased 1.56%. The City received increased amounts because the City annexed property increasing its population which is used in the revenue sharing formula.

Interest income increased 57.26%, which is attributable to short term interest rates increasing from the prior year.

Miscellaneous Income decreased 35.65% or \$491,530 in FY 2006 - 2007. The majority of this decrease was due to no reimbursements for expenditures the city had in connection with the annexation of a portion of Royal Oak Township.

General Fund Expenditures. General Fund expenditures were \$19,141,949, a decrease of 1.56 percent from the preceding year. Broken down by major function, expenditures were as follows:

<u>Expenditure</u>	<u>FY 2005-2006 Amount</u>	<u>FY 2006-2007 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
General Government	\$4,380,187	\$4,346,347	22.70%	(\$33,840)	(0.77%)
Public Safety	9,952,257	10,412,971	54.40	460,714	4.63
Public Works	1,020,800	779,445	4.07	(241,355)	(23.64)
Recreation	1,210,523	1,155,419	6.04	(55,104)	(4.55)
Library	792,078	775,018	4.05	(17,060)	(2.15)
Capital Outlay	69,596	23,521	.12	(46,075)	(66.20)
Other Non-departmental	<u>2,020,698</u>	<u>1,649,228</u>	<u>8.62</u>	<u>(371,470)</u>	<u>(18.38)</u>
Totals	<u>\$19,446,139</u>	<u>\$19,141,949</u>	<u>100%</u>	<u>(\$304,190)</u>	<u>(1.56%)</u>

General Fund expenditures decreased \$304,190 or 1.56%.

General Government expenditures decreased \$33,840 in FY 2006-2007. The decrease is due to the city changing health care coverage that includes a change in deductible for all employees and retirees that require the employee to pay the first \$15 for generic drugs and the first \$30 for brand name drugs. This change reduced health care costs for every department.

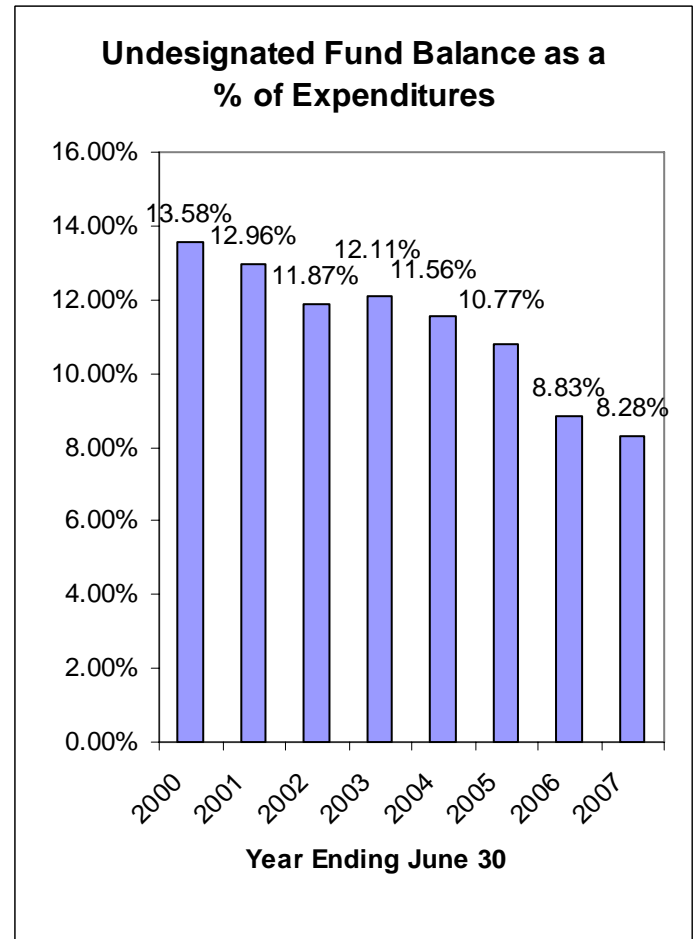
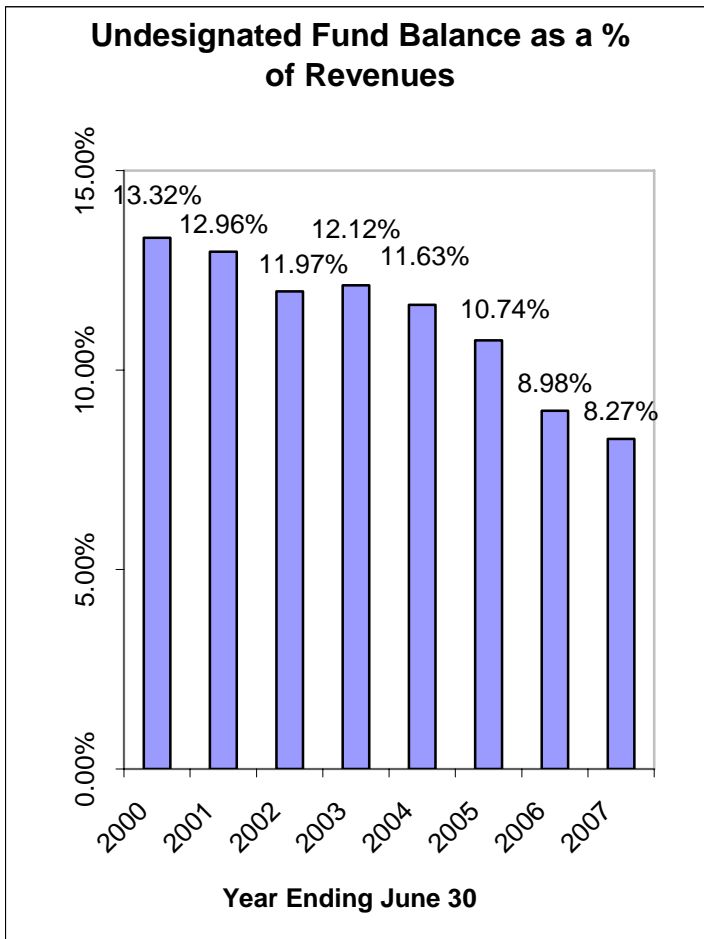
The Public Safety Department increased \$460,714 or 4.63%. Increases in fringe benefits (\$432,733) are due mainly to the retirement contribution for public safety worker's wages increasing from 41.79% in FY 2005-2006 to 51.19% in FY 2006-2007.

The Public Works Department decreased \$241,355, or 23.64%. This decrease was due charging salaries and fringe benefits to other funds. The DPW employees worked on projects that were charged to the Street Improvement Fund resulting in their costs not charged to the General Fund.

The Recreation Department decreased \$55,104, or 4.55%. The department realigned its personnel to include one less full time employee resulting in a reduction of salary and fringe benefit costs.

Other Non-Departmental expenditures decreased \$371,470 due to the change in health benefits for retirees.

General Fund Balance. General Fund Balance at June 30, 2007 was increased by 1.37 percent or \$27,701 from June 30, 2006. The unreserved-available for appropriation portion of fund balance decreased by \$133,352 for a total of \$1,735,777, which provides the City with 30.20 working days of expenditures, and is equivalent to 8.28 percent of annual expenditures. Our goal is to maintain this percentage at 8.33 to 16.67 percent (one to two months expenditures), a level considered adequate to meet any unforeseen events and avoid cash shortfalls during periods of low tax collections. An additional goal is to maintain fund balance at 10 to 15 percent of revenues. Undesignated Fund Balance can be graphically demonstrated as follows:



Special Revenue Funds. Special Revenue Funds account for revenue from specific revenue sources which are legally restricted for specified purposes. The City operates 11 separate special revenue funds as follows: (1) The Major Street Fund is used to finance the maintenance and construction of the City's major thorough-fares. (2) The Local Street Fund is used to finance the maintenance and construction of the City's minor thorough-fares. (3) The Narcotic Forfeiture Fund is used for the accounting of funds forfeited in drug arrests. (4) The Criminal Justice Training Fund is used for training in the Public Safety Department and is financed by fines levied at the District Court. (5) The Disaster Contingency Fund was established in prior years for the accounting and financing of natural disasters occurring within the City limits. (6) The Community Development Block Grant Fund is financed by grants received from the federal government and is restricted for use by the economically disadvantaged citizens of the City. (7) The Project Impact Program is used to provide innovative strategies to reduce domestic violence. (8) The P.U.S.H. Program was established to account for grants received to counsel "at risk" youths. (9) The

Solid Waste Fund is used to finance the collection, recycling and disposal of the City's garbage and refuse. It is funded by a tax levy and collection fee on property. (10) The Caseflow Assistance Fund is used to fund a portion of the cost of processing drunk drivers. (11) The District Court 45-B Fund is financed by a General Fund transfer-in and its uses are restricted to the operations of the District Court 45-B.

Capital Project Funds. The City had expenditures in three Capital Project Funds: Sidewalk Program, City Owned Property, and Street Improvement Fund.

The Sidewalk Program Fund had a fund balance at June 30, 2007 of \$19,765. This fund is used for the construction of sidewalks, which are billed to the property owner.

The City Owned Property Fund had a deficit fund balance of \$42,974 at June 30, 2007. This fund is used for expenditures made on tax reverted property. The City took possession of one property to return it to the tax rolls by selling or transferring the property to private ownership. This fund will relieve the deficit in FY 2007-2008 when that property is sold.

The Street Improvement Fund had a fund balance at June 30, 2007 of \$8,680,291. This fund received \$11.5 million in FY 2002-2003 and \$11 million in FY 2005-2006 from proceeds of the sale of bonds. It is anticipated that the roads will be completed in three years.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2007, the City had \$61.0 million invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, and water and sewer lines. (See Table 4 below.)

Table 4
Capital Assets at Year-end
(Net of Depreciation)

	<u>Governmental</u>		<u>Business- type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Primary Government</u>	
	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
Land	\$ 1,503,145	\$ 1,503,145	\$ 11,502	\$ 11,502	\$ 1,514,647	\$1,514,647
Rights-of-way	600,818	600,818	0	0	600,818	600,818
Infrastructure - roads	15,884,626	19,062,582	0	0	15,884,626	19,062,582
Infrastructure – sidewalks	2,039,001	1,939,463	0	0	2,039,001	1,939,463
Infrastructure – water & sewer system	0	0	9,021,977	10,073,061	9,021,977	10,073,061
Buildings	629,130	587,653	32,785	29,106	661,915	616,759
Public Improvements	1,665,296	1,827,771	0	0	1,665,296	1,827,771
Library collection	120,390	101,660	0	0	120,390	101,660
Equipment - General	174,300	126,988	177,589	136,668	351,889	263,656
Equipment – Motor Pool	1,339,191	1,298,259	0	0	1,339,191	1,298,259
Work in Progress	<u>4,547,325</u>	<u>6,801,674</u>	<u>17,016,500</u>	<u>16,882,303</u>	<u>21,563,825</u>	<u>23,683,977</u>
Totals	<u>\$28,503,222</u>	<u>\$33,850,013</u>	<u>\$26,260,353</u>	<u>\$27,132,640</u>	<u>\$54,763,575</u>	<u>\$60,982,653</u>

This year's major additions included:

GMC Sierra – Public Safety	\$ 35,355
Reconstruct Municipal Parking Lots	2,942,962
Reconstruct Alleys at 8 mile & Coolidge	847,563
Reconstruct Rue Versailles Roads	694,831
Reconstruct DPW Parking Lots	245,247

The City's Fiscal Year 2007-2008 capital budget calls for it to spend another \$6,509,329 for capital projects, principally for the continuation of its road reconstruction program, improvements to the city parks, acquisition of replacement vehicles, and replacement water mains. The City has no plans to issue additional debt to finance these projects. Rather, we will use current reserves to finance these projects. More detailed information about the City's capital assets is presented in Notes 1, 6 and 7 to the financial statements.

Debt

Under current State Statutes, the City's net debt may not exceed 10% of the total assessed value of real and personal property as certified by the City Assessor. The City's net debt of \$26,981,331 (See Schedule 12 in Statistical Section) is 2.83% of assessed value, and provides a legal debt margin of \$68,243,897. Net bonded debt per capita equaled \$832.78.

The long-term debt obligations of the City consist of general obligation bonds outstanding of \$27,475,000.

The general obligation bonds are being retired with revenues from a millage levied on all personal and real property in the City. The City levied 4.0081 mills per \$1,000 of state taxable value in Fiscal Year 2006-2007 for the retirement of debt. At year-end, the City had \$43,566,554 in bonds outstanding versus \$45,976,387 last year—a decrease of 5.24 percent—as shown in Table 5.

Table 5
Outstanding Debt, at Year-end

	Governmental Activities		Business- type Activities		Totals	
	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
General Obligation Bonds (backed by the City)	\$29,055,000	\$27,475,000	\$ -0-	\$ -0-	\$29,055,000	\$27,475,000
Revenue Bonds (backed by specific fee revenues)	-0-	-0-	16,921,387	16,091,554	16,921,387	16,091,554
Totals	<u>\$29,055,000</u>	<u>\$27,475,000</u>	<u>\$16,921,387</u>	<u>\$16,091,554</u>	<u>\$45,976,387</u>	<u>\$43,566,554</u>

The City received approval from the voters in November of 2002 to borrow \$22.5 million for the repair of roads and municipal parking lots. The City sold \$11.5 million in General Obligation Bonds on May 1, 2003, and \$11 million in May of 2006.

At June 30, 2007 the 2003 Street Improvement Bond Fund, the 2003 Street Refunding Bond Fund and the 2006 Street Improvement Bond Fund were the only outstanding GO bonds. These bonds are paid by a tax levied on all taxpayers separate from operating millage. A mill represents 1 dollar paid for every \$1,000 of

taxable value of real and personal property. The city's debt service levy in FY 2006-2007 was 4.0081 mills. Requirements for general obligation bonds will decrease until all bonds are paid off in May of 2028.

On June 30, 2003 the City had \$3.175 million of outstanding debt from the 1992 Refunding Bonds. In March of 2004 these bonds were redeemed to take advantage of favorable interest rates. The 2004 Refunding Bonds in the amount of \$2.945 million were issued to replace these bonds. These revenue bonds had an outstanding balance of \$2.070 million on June 30, 2007.

The City belongs to a consortium of cities known as the Twelve Towns Drain District. This district was formed to collect and treat sewage and storm water for 14 communities. In 1998 the Michigan Department of Environmental Quality ordered the district to upgrade its retention facility and decrease its excess flows into Lake St. Clair. The total estimated cost of these improvements is \$130 million, of which the City of Oak Park is responsible for 13.48%. This project began in FY 2000-2001.

The District is borrowing funds through construction draw downs to complete this project. As of June 30, 2007 the City is obligated to pay \$14,021,554. Due to the nature of draw downs the exact obligation will be unknown until the project is complete or no other draw downs are made. Payments on these obligations continue until 2024, ranging from \$ 11,943 to \$1,079,007. The City will increase sewer rates to pay this debt.

The City's general obligation Moody's Investor Service underlying bond rating continues to be A3 with outstanding debt having the highest rating due to bond insurance purchased at the time of issuance. The State limits the amount of general obligation debt that cities can issue to 10 percent of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt is significantly below this \$95.22 million state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 16 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Oak Park (population 32,399) is primarily a residential community located in southeastern Oakland County, Michigan. The City's proximity to the downtown Detroit metropolitan area and several major roadways, including Interstate Highway 696, have helped spur considerable residential redevelopment. The local tax base has exhibited growth averaging 5.53% per year from fiscal 2003-2007 to a current market value of \$1.8 billion; despite developmental restrictions (only 1% of total City land area is vacant). Some commercial and light industrial property development is also expected over the next few years. Income levels, as measured by per capita effective buying income, are on par with both state and national levels. Unemployment is 7.9% in September 2007.

In FY 2006-2007, the general fund posted an increase in fund balance of \$27,701. The current unreserved fund balance of \$1.736 million is 8.27% of expenditures. Management's fiscal policy is to maintain reserves between 8%-16% of annual expenditures. The City, which relies heavily on property taxes (60.15% of total revenue), is operating at the state-authorized tax rate limit. The City adopted a budget for FY 2007-2008 with a planned increase of fund balance of \$194,697.

Overall net general bonded debt is moderate, at \$833 per capita and 2.83% of assessed value.

The City's elected and appointed officials considered many factors when setting the Fiscal Year 2007-2008 budget including, tax rates, and fees to be charged for the business-type activities. One of those factors is the economy. Unemployment in the City now stands at 7.9 percent versus 7.0 percent a year ago. This compares with the State's unemployment rate of 7.5 percent and the national rate of 4.7 percent.

Inflation in the metropolitan area has leveled off and was larger than the national Consumer Price Index (CPI). The Detroit areas CPI increase was 3.0 percent for 2007 compared with the average U.S. city with population less than 50,000 rate of 2.9 percent and the national rate of 2.8 percent.

These indicators were taken into account when adopting the General Fund budget for Fiscal Year 2007-2008. The FY 2007-2008 budget was adopted in May of 2007 during the economic downturn that is affecting municipalities throughout the state. Amounts available for appropriation in the General Fund budget are \$21.2 million, an increase of 7.51 percent over the final FY 2006-2007 amount of \$21.0 million. Property tax revenue are budgeted to increase 5.02%. Other revenue sources are expected to increase slightly or remain flat. Budgeted expenditures are expected to increase 1.85 percent, to \$20.9 million from \$20.5 million in FY 2006-2007. The City has added no major new programs or initiatives to the FY 2006-2007 budget.

As for the City's Water & Sewer Fund, we expect that the FY 2007-2008 to be a year in which service is improved because of two ongoing programs:

- The installation of radio read meters will be in its final year of a five-year program. These radio reads will allow our meter readers to read meters from a remote location without having to approach every user of water.
- The televising of the City's sewers will allow us to develop a preventative program to improve our infrastructure in the most needed areas before a breakdown occurs.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance and Administrative Services' Office, at the City of Oak Park, 13600 Oak Park Blvd., Oak Park, MI, 48237.

CITY OF OAK PARK, MICHIGAN
STATEMENT OF NET ASSETS
JUNE 30, 2007

	Primary Government			Component
	Governmental	Business-type	Total	Units
	Activities	Activities		
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 7,400,319	\$ 352,833	\$ 7,753,152	\$ 11,772
Restricted cash and cash equivalents	112,539	-	112,539	-
Investments	6,519,054	315,218	6,834,272	-
Receivables (net)	3,047,288	3,572,398	6,619,686	-
Prepaid expenses	472,858	15,943	488,801	-
Total current assets	17,552,058	4,256,392	21,808,450	11,772
Noncurrent assets:				
Capital assets, net of depreciation (note 6)	24,944,376	10,238,835	35,183,211	-
Land	1,503,145	11,502	1,514,647	-
Rights-of-way	600,818	-	600,818	-
Work in progress	6,801,674	16,882,303	23,683,977	-
Total noncurrent assets	33,850,013	27,132,640	60,982,653	-
Total assets	\$ 51,402,071	\$ 31,389,032	\$ 82,791,103	\$ 11,772
LIABILITIES				
Current liabilities:				
Accounts payable, accrued and other liabilities	\$ 2,026,820	\$ 737,185	\$ 2,764,005	\$ 4,848
Unearned revenue	215,961	-	215,961	-
Current portion of accumulated compensated absences	54,845	6,447	61,292	-
Current portion of long-term obligations (Note 16)	1,670,000	1,027,558	2,697,558	-
Total current liabilities	3,967,626	1,771,190	5,738,816	4,848
Noncurrent liabilities:				
Accumulated compensated absences	2,010,289	45,663	2,055,952	-
Noncurrent portion of long-term obligations (Note 16)	25,805,000	15,063,996	40,868,996	-
Total liabilities	31,782,915	16,880,849	48,663,764	4,848
NET ASSETS				
Invested in capital assets, net of related debt	6,375,013	11,041,086	17,416,099	-
Restricted for:				
Capital projects	9,026,113	-	9,026,113	-
Debt service	493,669	-	493,669	-
Unrestricted	3,724,361	3,467,097	7,191,458	6,924
Total net assets	19,619,156	14,508,183	34,127,339	6,924
Total liabilities and net assets	\$ 51,402,071	\$ 31,389,032	\$ 82,791,103	\$ 11,772

The notes to the financial statements are an integral part of this statement.

**CITY OF OAK PARK, MICHIGAN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007**

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets									
	Program Revenues			Changes in Net Assets						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Business-type		Total	Component Units
					Governmental Activities	Business-type Activities				
Primary Government										
Governmental Activities:										
General government	\$ 5,067,647	\$ 599,632	\$ -	\$ -	(4,468,015)	\$ -	\$ -	(4,468,015)	\$ -	-
Judicial	2,268,921	656,578	118,540	-	(1,493,803)	-	-	(1,493,803)	-	-
Public safety	11,089,786	1,856,111	15,203	-	(9,218,472)	-	-	(9,218,472)	-	-
Road maintenance and repair	2,708,853	21,919	1,680,681	-	(1,006,253)	-	-	(1,006,253)	-	-
Public works	1,096,676	214,874	4,800	-	(877,002)	-	-	(877,002)	-	-
Health and sanitation	2,186,048	577,620	-	-	(1,608,428)	-	-	(1,608,428)	-	-
Culture and recreation	1,268,706	469,373	-	-	(799,333)	-	-	(799,333)	-	-
Library	836,669	21,521	70,260	-	(744,888)	-	-	(744,888)	-	-
Community development	299,539	(2,335)	191,431	-	(110,443)	-	-	(110,443)	(95,873)	(95,873)
Interest on long-term debt	1,148,474	-	-	-	(1,148,474)	-	-	(1,148,474)	-	-
Total governmental activities	27,971,319	4,415,293	2,080,915	-	(21,475,111)	-	-	(21,475,111)	(95,873)	(95,873)
Business-type Activities:										
Water and sewer	7,835,161	9,034,465	-	-	-	1,199,304	1,199,304	1,199,304	-	-
Total primary government	\$ 35,806,480	\$ 13,449,758	\$ 2,080,915	\$ -	(21,475,111)	1,199,304	(20,275,807)	(95,873)		

General revenues:

Taxes:

Property taxes, levied for general purposes	18,221,282	-	18,221,282	96,808
Property taxes, levied for debt services	2,756,044	-	2,756,044	-
Franchise taxes	518,234	-	518,234	-
Investment earnings	1,073,459	167,869	1,241,328	30
Transfers	(50,000)	50,000	-	-
Total general revenues and transfers	22,519,019	217,869	22,736,888	96,838
Change in net assets	1,043,908	1,417,173	2,461,081	965
Net assets-beginning	18,575,248	13,091,010	31,666,258	5,959
Net assets-ending	\$ 19,619,156	\$ 14,508,183	\$ 34,127,339	\$ 6,924

The notes to the financial statements are an integral part of this statement.

**CITY OF OAK PARK, MICHIGAN
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2007**

	GENERAL	MAJOR STREET	SOLID WASTE	ROAD CONSTRUCTION	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>						
Cash and cash equivalents	\$ 817,876	\$ 459,906	\$ 47,395	\$ 4,510,870	\$ 845,148	\$ 6,681,195
Investments	717,469	411,340	42,391	4,034,532	295,834	5,501,566
Receivables:						
Taxes	446,584	-	54,244	-	89,678	590,506
Customers, billed	351,859	76,728	197,498	742,148	59,267	1,427,500
Special assessments	-	-	-	-	83,831	83,831
Accrued interest	10,278	4,344	457	43,451	2,835	61,365
Due from other governmental units	30,926	-	-	-	38,599	69,525
Due from State	701,475	186,029	-	-	73,420	960,924
Due from other funds	98,630	-	-	-	-	98,630
Restricted assets:						
Cash and cash equivalents	-	-	-	-	112,539	112,539
Prepaid expenditures	302,693	3,763	3,392	673	56,337	366,858
<u>TOTAL ASSETS</u>	\$ 3,477,790	\$ 1,142,110	\$ 345,377	\$ 9,331,674	\$ 1,657,488	\$ 15,954,439
<u>LIABILITIES AND FUND BALANCES</u>						
LIABILITIES						
Accounts payable	\$ 376,984	\$ 229,751	\$ 141,547	\$ 650,646	\$ 118,604	\$ 1,517,532
Accounts payable from restricted assets	-	-	-	-	112,539	112,539
Accrued and other liabilities	204,058	5,185	1,313	737	28,205	239,498
Due to other funds	-	-	-	-	98,630	98,630
Deferred revenue	858,278	76,728	62,813	-	126,939	1,124,758
TOTAL LIABILITIES	1,439,320	311,664	205,673	651,383	484,917	3,092,957
FUND BALANCES						
Reserved for:						
Debt service	-	-	-	-	493,669	493,669
Capital projects	-	-	-	8,679,618	327,243	9,006,861
Prepaid expenditures	302,693	3,763	3,392	673	56,337	366,858
Unreserved, reported in:						
General Fund	1,735,777	-	-	-	-	1,735,777
Special Revenue Funds	-	826,683	136,312	-	295,322	1,258,317
TOTAL FUND BALANCES	2,038,470	830,446	139,704	8,680,291	1,172,571	12,861,482
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 3,477,790	\$ 1,142,110	\$ 345,377	\$ 9,331,674	\$ 1,657,488	\$ 15,954,439

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK, MICHIGAN
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET and
STATEMENT OF NET ASSETS
JUNE 30, 2007

	Modified Accrual Basis						Full Accrual Basis	
	Basis		Reconciling Items					Basis
	TOTAL	CAPITAL	RESERVATION	COMPENSATED	DEFERRED	ELIMINATE	INTERNAL	
	GOVERNMENTAL	ASSETS & LONG	OF	ABSENCES	REVENUES	INTERFUND	SERVICE	
	FUNDS	TERM DEBT	PREPAIDS			RECEIVABLES	FUNDS	TOTAL
<u>ASSETS</u>								
Cash and cash equivalents	\$ 6,681,195	\$ -	\$ -	\$ -	\$ -	\$ -	719,124	\$ 7,400,319
Investments	5,501,566	-	-	-	-	-	1,017,488	6,519,054
Receivables:								
Taxes	590,506	-	-	-	-	-	-	590,506
Customers, billed	1,427,500	-	-	-	(153,285)	-	-	1,274,215
Special assessments	83,831	-	-	-	-	-	-	83,831
Accrued interest	61,365	-	-	-	-	-	6,922	68,287
Due from other governmental units	69,525	-	-	-	-	-	-	69,525
Due from State	960,924	-	-	-	-	-	-	960,924
Due from other funds	98,630	-	-	-	-	(98,630)	-	-
Prepaid expenditures	366,858	-	-	-	-	-	106,000	472,858
Total Current Assets	15,841,900	-	-	-	(153,285)	(98,630)	1,849,534	17,439,519
Restricted assets:								
Cash and cash equivalents	112,539	-	-	-	-	-	-	112,539
Capital Assets:								
Land	-	1,503,145	-	-	-	-	-	1,503,145
Rights-of-way	-	600,818	-	-	-	-	-	600,818
Work in progress	-	6,801,674	-	-	-	-	-	6,801,674
Infrastructure - roads, net	-	19,062,582	-	-	-	-	-	19,062,582
Infrastructure - sidewalks, net	-	1,939,463	-	-	-	-	-	1,939,463
Depreciable buildings, net	-	587,653	-	-	-	-	-	587,653
Depreciable public improvements, net	-	1,827,771	-	-	-	-	-	1,827,771
Library Collection	-	101,660	-	-	-	-	-	101,660
Equipment, net	-	125,332	-	-	-	-	-	125,332
Equipment, net - Motor Pool	-	-	-	-	-	-	1,298,259	1,298,259
Equipment, net - Central Services	-	-	-	-	-	-	1,656	1,656
Total Non-current assets	112,539	32,550,098	-	-	-	-	1,299,915	33,962,552
<u>TOTAL ASSETS</u>	\$ 15,954,439	\$ 32,550,098	\$ -	\$ -	\$ (153,285)	\$ (98,630)	\$ 3,149,449	\$ 51,402,071
<u>LIABILITIES AND FUND BALANCES</u>								
LIABILITIES								
Accounts payable	\$ 1,517,532	\$ -	\$ -	\$ -	\$ -	\$ -	53,611	\$ 1,571,143
Accounts payable from restricted assets	112,539	-	-	-	-	-	-	112,539
Accrued and other liabilities	239,498	-	-	-	-	-	103,640	343,138
Due to other funds	98,630	-	-	-	-	(98,630)	-	-
Bonds payable - current	-	1,670,000	-	-	-	-	-	1,670,000
Deferred revenue	1,124,758	-	-	-	(908,797)	-	-	215,961
Accumulated compensated absences	-	-	-	2,065,134	-	-	-	2,065,134
Bonds payable - net of current portion and bond discount	-	25,805,000	-	-	-	-	-	25,805,000
TOTAL LIABILITIES	3,092,957	27,475,000	-	2,065,134	(908,797)	(98,630)	157,251	31,782,915
FUND BALANCES								
Reserved for:								
Debt service	493,669	-	-	-	-	-	-	493,669
Capital projects	9,006,861	-	19,252	-	-	-	-	9,026,113
Self insurance payable	-	-	-	-	-	-	199,031	199,031
Retiree Health Care	-	-	-	-	-	-	631,355	631,355
Prepaid expenditures	366,858	-	-	-	-	-	-	366,858
Unreserved Fund Balance	2,994,094	5,075,098	(19,252)	(2,065,134)	755,512	-	2,161,812	8,902,130
TOTAL FUND BALANCES/NET ASSETS	12,861,482	5,075,098	-	(2,065,134)	755,512	-	2,992,198	19,619,156
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 15,954,439	\$ 32,550,098	\$ -	\$ -	\$ (153,285)	\$ (98,630)	\$ 3,149,449	\$ 51,402,071

The notes to the financial statements are an integral part of this statement (See Note 8 on page 60).

CITY OF OAK PARK, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	GENERAL	MAJOR STREET	SOLID WASTE	ROAD CONSTRUCTION	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Property taxes	\$ 12,474,863	\$ -	\$ 1,677,862	\$ -	\$ 2,756,042	\$ 16,908,767
Special assessments	-	15,345	-	-	123,463	138,808
Licenses and permits	397,567	-	-	-	-	397,567
Intergovernmental revenue:						
Federal grants	-	-	-	-	160,313	160,313
State grants	4,076,155	1,132,964	-	-	553,585	5,762,704
Other grants	-	-	-	-	53,868	53,868
Charges for services	524,131	-	543,775	-	206,908	1,274,814
Fines and forfeitures	2,074,737	-	-	-	137,693	2,212,430
Interest	304,905	81,295	26,767	488,977	136,340	1,038,284
Other	887,421	-	-	-	-	887,421
TOTAL REVENUES	20,739,779	1,229,604	2,248,404	488,977	4,128,212	28,834,976
EXPENDITURES						
Current:						
Judicial	-	-	-	-	2,124,990	2,124,990
General government	4,346,347	-	-	-	-	4,346,347
Public safety	10,412,971	-	-	-	19,747	10,432,718
Road maintenance and repair	-	514,776	-	38,004	610,560	1,163,340
Public works	779,445	-	2,143,495	-	37,669	2,960,609
Recreation and culture	1,155,419	-	-	-	-	1,155,419
Library	775,018	-	-	-	-	775,018
Community enrichment and development	-	-	-	-	247,852	247,852
Other non-departmental	1,649,228	-	-	-	-	1,649,228
Debt service:						
Principal	-	-	-	-	1,580,000	1,580,000
Interest	-	-	-	-	1,148,248	1,148,248
Prior year tax refunds	-	-	-	-	226	226
Capital outlay and construction	23,521	1,198,730	-	5,098,120	802,965	7,123,336
TOTAL EXPENDITURES	19,141,949	1,713,506	2,143,495	5,136,124	6,572,257	34,707,331
REVENUES OVER (UNDER) EXPENDITURES	1,597,830	(483,902)	104,909	(4,647,147)	(2,444,045)	(5,872,355)
OTHER FINANCING SOURCES (USES)						
Transfers in	260,000	-	-	-	2,141,870	2,401,870
Transfers (out)	(1,830,129)	(283,241)	(310,000)	-	(28,500)	(2,451,870)
TOTAL OTHER FINANCING SOURCES (USES)	(1,570,129)	(283,241)	(310,000)	-	2,113,370	(50,000)
NET CHANGE IN FUND BALANCES	27,701	(767,143)	(205,091)	(4,647,147)	(330,675)	(5,922,355)
FUND BALANCES , BEGINNING OF YEAR	2,010,769	1,597,589	344,795	13,327,438	1,503,246	18,783,837
FUND BALANCES , END OF YEAR	\$ 2,038,470	\$ 830,446	\$ 139,704	\$ 8,680,291	\$ 1,172,571	\$ 12,861,482

The notes to the financial statements are an integral part of this statement.

**CITY OF OAK PARK, MICHIGAN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, and
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007**

Net change in fund balances - total governmental funds \$ (5,922,355)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays exceeded depreciation in the current period. 5,389,380

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Long-term debt for capital assets is a reduction of net assets however, a reduction of the debt increases net assets. This is the amount of principal paid on long-term debt. 1,580,000

Revenues in the statement of activities that do not provide financial resources are not reported as revenues in the funds. The amount of deferred revenues (mainly delinquent personal property tax) recognized as revenue in the statement of activities is presented here. 70,941

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The amount of expenditures for accumulated compensated absences is reported here. (124,346)

Internal Service funds are used by management to charge the costs of certain activities, such as insurance, motor pool, central services, and retirees health care, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. 50,288

\$ 1,043,908

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ 1,938,546	\$ 2,004,479	\$ 2,010,769	\$ 6,290
Resources (inflows):				
Taxes, Penalties & Interest	12,539,111	12,540,187	12,474,863	(65,324)
Licenses & Permits	394,236	367,851	397,567	29,716
State Grants	4,315,589	4,222,102	4,076,155	(145,947)
Interest Income	129,740	230,000	304,905	74,905
Service Charges	463,775	503,281	524,131	20,850
Contributions - Other Funds	1,197,800	1,197,800	260,000	(937,800)
Fines and Forfeits	1,657,536	1,956,603	2,074,737	118,134
Miscellaneous Income	932,692	822,658	887,421	64,763
Amounts available for appropriation	<u>23,569,025</u>	<u>23,844,961</u>	<u>23,010,548</u>	<u>(834,413)</u>
Charges to appropriation (outflows):				
General government:				
City Council	103,283	110,644	104,057	6,587
City Manager	494,307	652,459	639,950	12,509
Information Technology	209,817	213,017	208,188	4,829
City Attorney	120,230	160,230	166,287	(6,057)
Prosecuting Attorney	94,258	100,150	98,553	1,597
City Clerk	457,753	517,253	498,712	18,541
Finance & Administrative Services	893,071	972,250	690,192	282,058
Public Information	340,970	340,970	351,294	(10,324)
Technical and Planning Services	2,334,351	2,452,551	1,940,408	512,143
Public Safety	9,841,816	10,521,335	10,412,971	108,364
Public Works	945,569	945,075	779,445	165,630
Recreation	1,257,498	1,224,421	1,155,419	69,002
Library	766,056	776,852	798,539	(21,687)
Nondepartmental	2,043,677	1,455,276	1,297,934	157,342
Transfers Out	1,721,583	1,721,583	1,830,129	(108,546)
Total Charges To Appropriations	<u>21,624,239</u>	<u>22,164,066</u>	<u>20,972,078</u>	<u>1,191,988</u>
Budgetary fund balance, June 30	<u>\$ 1,944,786</u>	<u>\$ 1,680,895</u>	<u>\$ 2,038,470</u>	<u>\$ 357,575</u>

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - MAJOR STREET FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ 1,495,026	\$ 1,597,589	\$ 1,597,589	\$ -
Resources (inflows):				
State Grants - Streets	1,200,000	1,200,000	1,132,964	(67,036)
Special Assessments	15,400	15,400	15,345	(55)
Interest Income & Other	8,000	35,000	81,295	46,295
Amounts available for appropriation	<u>2,718,426</u>	<u>2,847,989</u>	<u>2,827,193</u>	<u>(20,796)</u>
Charges to appropriation (outflows):				
Road Maintenance & Repair	537,157	492,159	514,776	(22,617)
Capital Outlay - Roads	780,000	1,347,563	1,198,730	148,833
Transfers Out	<u>300,000</u>	<u>300,000</u>	<u>283,241</u>	<u>16,759</u>
Total Charges To Appropriations	<u>1,617,157</u>	<u>2,139,722</u>	<u>1,996,747</u>	<u>142,975</u>
Budgetary fund balance, June 30	<u>\$ 1,101,269</u>	<u>\$ 708,267</u>	<u>\$ 830,446</u>	<u>\$ 122,179</u>

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - SOLID WASTE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Budgetary fund balance, July 1	\$ 333,453	\$ 344,795	\$ 344,795	\$ -
Resources (inflows):				
Property Taxes	1,694,896	1,694,896	1,677,862	(17,034)
Miscellaneous Fees	574,091	600,000	543,775	(56,225)
Interest Income	<u>20,000</u>	<u>20,000</u>	<u>26,767</u>	<u>6,767</u>
Amounts available for appropriation	<u>2,622,440</u>	<u>2,659,691</u>	<u>2,593,199</u>	<u>(66,492)</u>
Charges to appropriation (outflows):				
Public Works - Sanitation	2,159,452	2,180,752	2,143,495	37,257
Transfers Out	<u>310,000</u>	<u>310,000</u>	<u>310,000</u>	<u>-</u>
Total Charges To Appropriations	<u>2,469,452</u>	<u>2,490,752</u>	<u>2,453,495</u>	<u>37,257</u>
Budgetary fund balance, June 30	<u>\$ 152,988</u>	<u>\$ 168,939</u>	<u>\$ 139,704</u>	<u>\$ (29,235)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK, MICHIGAN
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2007

	Business-type Activities - Enterprise Fund Water and Sewer	Governmental Activities - Internal Service Funds
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 352,833	\$ 719,124
Investments	315,218	1,017,488
Receivables (net)	3,244,879	6,922
Due from other units of government	327,519	-
Prepaid expenses	15,943	106,000
	<hr/>	<hr/>
Total current assets	4,256,392	1,849,534
Noncurrent assets:		
Depreciable Net Assets	<hr/> 27,132,640	<hr/> 1,299,915
	<hr/>	<hr/>
Total assets	<u>\$ 31,389,032</u>	<u>\$ 3,149,449</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 618,620	\$ 53,611
Current portion of accumulated compensated absences	6,447	-
Accrued and other liabilities	118,565	103,640
Current portion of long-term obligations (Note 16)	1,027,558	-
Total current liabilities	<hr/> 1,771,190	<hr/> 157,251
Noncurrent liabilities:		
Accumulated Compensated Absences	45,663	-
Noncurrent portion of long-term obligations (Note 16)	15,063,996	-
Total noncurrent liabilities	<hr/> 15,109,659	<hr/>
Total liabilities	<hr/> 16,880,849	<hr/> 157,251
NET ASSETS		
Invested in capital assets, net of related debt	11,041,086	1,299,915
Unrestricted	<hr/> 3,467,097	<hr/> 1,692,283
Total net assets	<hr/> 14,508,183	<hr/> 2,992,198
Total liabilities and net assets	<u>\$ 31,389,032</u>	<u>\$ 3,149,449</u>

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK, MICHIGAN
STATEMENT OF REVENUES, EXPENSES, and CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	Business-type Activities - Enterprise Fund Water and Sewer	Governmental Activities - Internal Service Funds
Operating revenues:		
Charges for services	\$ 9,033,658	\$ 1,542,618
Fines and forfeitures	-	84,441
Miscellaneous	807	43,467
Total operating revenues	<u>9,034,465</u>	<u>1,670,526</u>
Operating expenses:		
Gas purchases	-	135,191
Professional services	-	33,290
Supplies	-	223,903
Postage	-	55,003
Water purchases	1,236,863	-
Sewage treatment	3,243,819	-
Transmission and distribution	1,142,428	-
Maintenance and operation	575,470	-
Customer accounting and collection	524,824	-
General and administration	349,013	-
Depreciation	268,212	281,102
Wages and benefits	-	229,807
Claims	-	-
Insurance payments	-	819,025
Other	55	2,227
Total operating expenses	<u>7,340,684</u>	<u>1,779,548</u>
Operating income (loss)	<u>1,693,781</u>	<u>(109,022)</u>
Nonoperating revenues (expenses):		
Interest and investment revenues	167,869	70,039
Gain on investments	-	63,711
Interest expense	(494,477)	-
Gain on disposal of capital assets	-	25,560
Total nonoperating revenues (expenses):	<u>(326,608)</u>	<u>159,310</u>
Income (loss) before transfers	<u>1,367,173</u>	<u>50,288</u>
Transfers in	50,000	-
Change in net assets	<u>1,417,173</u>	<u>50,288</u>
Total net assets - beginning	<u>13,091,010</u>	<u>2,941,910</u>
Total net assets - ending	<u>\$ 14,508,183</u>	<u>\$ 2,992,198</u>

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK, MICHIGAN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	Business-type Activities - Enterprise Fund Water and Sewer	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 9,229,010	\$ -
Receipts from interfund services provided	-	1,542,618
Payments to suppliers	(5,998,205)	(1,283,932)
Payments to employees	(1,175,380)	(229,807)
Claims paid	-	-
Other receipts (payments)	-	127,653
Net cash provided by operating activities	2,055,425	156,532
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating subsidies and transfers from other funds	50,000	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from disposal of capital assets	-	(238,513)
Purchases of capital assets	(1,140,499)	25,560
Capital debt issued	143,541	-
Capital debt retired	(973,374)	-
Interest paid on capital debt	(494,477)	-
Net cash (used) by capital and related financing activities	(2,464,809)	(212,953)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	37,416	(89,632)
Interest and dividends	167,869	70,039
Net cash provided (used) by investing activities	205,285	(19,593)
Net increase (decrease) in cash and cash equivalents	(154,099)	(76,014)
Balances - beginning of year	506,932	795,138
Balances - end of year	\$ 352,833	\$ 719,124
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	\$ 1,693,781	\$ (109,022)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	268,212	281,102
Change in assets and liabilities:		
Receivables, net	191,931	-
Accounts and other payables	(98,499)	18,083
Accrued expenses	-	(33,631)
Net cash provided (used) by operating activities	\$ 2,055,425	\$ 156,532

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK, MICHIGAN
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2007

	Employee Retirement Plan	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 2,092,843	\$ 146,663
Receivables:		
Accounts receivable	-	873
Interest and dividends	400,916	-
Total receivables	400,916	873
Investments, at cost:		
U.S. government obligations	-	66,526
Investments, at fair value:		
U.S. government obligations	2,396,507	-
Mortgage backed securities	6,873,925	-
Corporate bonds	13,307,977	-
Corporate stocks	40,170,443	-
Total investments	62,748,852	66,526
Total assets	65,242,611	\$ 214,062
LIABILITIES		
Accounts payable	-	214,062
Refunds payable and others	483,196	-
Total liabilities	483,196	\$ 214,062
NET ASSETS		
Held in trust for pension benefits and other purposes	\$ 64,759,415	

The notes to the financial statements are an integral part of this statement.

**CITY OF OAK PARK, MICHIGAN
STATEMENT OF CHANGES IN NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2007**

	Employee Retirement Plan
	<hr/>
ADDITIONS	
Contributions:	
Employer	\$ 4,402,080
Plan members	414,047
	<hr/>
Total contributions	4,816,127
	<hr/>
Investment earnings	
Net increase	
in fair value of investments	6,254,879
Interest	1,351,535
Dividends	975,570
	<hr/>
Total investment earnings	8,581,984
Less investment expense	(195,123)
	<hr/>
Net investment earnings	8,386,861
	<hr/>
Total additions	13,202,988
	<hr/>
DEDUCTIONS	
Benefits	5,735,428
Health insurance	794,747
Refunds, rebates, and miscellaneous	45,192
	<hr/>
Total deductions	6,575,367
	<hr/>
Change in net assets	6,627,621
Net assets - beginning of year	58,131,794
	<hr/>
Net assets - end of year	\$ 64,759,415
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of *Oak Park*, Michigan was incorporated October 30, 1945. The City operates as a Mayor/Council-Manager form of government and provides the following services as authorized by the charter: public safety (police and fire), building ordinance enforcement, highways and streets, sanitation, parks and recreation, public improvement, planning and zoning, library service, water, sewer and refuse removal.

The accounting policies of the *City of Oak Park* conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

REPORTING ENTITY

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City and its component units. The component units discussed below are included in the City's reporting entity because they are entities for which the City is considered to be financially accountable.

Blended Component Unit

The City of Oak Park Municipal Building Authority is a municipal, non-profit, non-stock corporation organized under the laws of the State of Michigan for the purpose of acquiring and owning facilities for the use of the *City of Oak Park*. The Building Authority is governed by a Board that is appointed by the City Council. The City also has accountability for fiscal matters of the Authority. Statement on Michigan Governmental Accounting and Auditing Number 5 requires that the Authority be reported as a blended component unit. Complete financial statements of the Municipal Building Authority can be obtained from the *City of Oak Park, Michigan*.

Discrete Component Units

The City of Oak Park Economic Development Corporation is a municipal, non-profit, non-stock corporation organized under the laws of the State of Michigan for the purpose of promoting development in the City. The Economic Development Corporation is governed

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

by a Board that is appointed by the City Council. The City has the ability to significantly influence the daily operations of the Corporation. Statement on Michigan Governmental Accounting and Auditing Number 5 requires that the Special Revenue Fund, in which all the Corporation's activity is recorded, be included in the financial statements as a discrete component unit. Complete financial statements of the Corporation can be obtained from the *City of Oak Park, Michigan*.

The City of Oak Park Brownfield Redevelopment Authority was established to promote the redevelopment of, and private investment in, environmentally distressed properties within the City. The Brownfield Redevelopment Authority is governed by a Board that is appointed by the City Council. The City also has accountability for fiscal matters of the Authority. Statement on Michigan Governmental Accounting and Auditing Number 5 requires that the Authority be reported as a discrete component unit. Complete financial statements of the Brownfield Authority can be obtained from the *City of Oak Park, Michigan*.

BASIS OF PRESENTATION - GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the Governmental Accounting Standards Board Statement 33.

The statement of net assets and the statement of activities display information about the City as a whole. The statements include all funds of the primary government and its component unit, except for its fiduciary funds. Those funds are reported in the statements of fiduciary net assets and changes in fiduciary net assets.

The statement of net assets and the statement of activities are presented to distinguish between governmental and business type activities of the City. Governmental activities are financed through taxes, intergovernmental revenues and other non-exchange revenues. These activities are reported in governmental and internal service funds. Business type activities are financed by fees charged to external parties for goods or services. These activities are reported in the City's enterprise funds.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods,

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer fund and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

Capital assets are reported in the government wide statements at historical cost. Capital assets include land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, library collection, infrastructure and all other tangible or intangible assets that are used in operations and have initial useful lives beyond a single reporting period and an individual cost of more than \$5,000. Infrastructure assets are long-lived capital assets that normally can be preserved for a significantly greater number of years than most capital assets.

Capital assets that are being depreciated are reported net of accumulated depreciation in the statement of net assets. Capital assets that are not being depreciated, such as land, are reported separately.

Capital assets are depreciated over their estimated useful lives. Depreciation expense is reported in the statement of activities by allocating the net cost over the estimated useful life of the asset. Assets are depreciated on an individual basis for equipment and buildings. Roads are depreciated as a class with each class containing items based on their date of construction or reconstruction. Sidewalks are depreciated by class with each class containing items based on the year of construction.

BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund types and broad fund categories as follows:

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Major Street Fund - The Major Street Fund is a special revenue fund used to account for the repair, maintenance and construction of the City's major streets as identified by the State of Michigan Department of Transportation.

Solid Waste Fund - The Solid Waste Fund is used to account for the collection and disposal of the City's solid waste.

Road Construction Fund - The Road Construction Fund is used to account for the construction of streets funded by the 2003 & 2006 Street Improvement General Obligation Bonds.

In addition the City reports on the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust funds).

PROPRIETARY FUNDS

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water & Sewer Fund and the City's Internal Service Funds are charges to customers for sales and services. Operating expenses for the Enterprise Fund and Internal Service Funds include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUNDS (Continued)

meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary fund:

Water and Sewer Fund - The Water and Sewer Fund is an Enterprise Fund. The City operates one Enterprise Fund, which accounts for the operation of the Water and Sewer Systems. The fund is financed and operated in a manner similar to a private enterprise. The intent is that costs (expenses, including depreciation) of providing water and sewer services to the general public are recovered through user charges.

Additionally, the City reports the following fund type:

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City reports on five internal service funds 1) The Risk Management Fund is used to accumulate resources from other funds, which utilize labor, and to pay workers compensation premiums to the Michigan Municipal League's Workers Compensation Pool. It is also used for the City's property and liability insurance. 2) The Central Services Fund is used to account for Printing, Duplicating, and Mail services performed for the City's departments. 3) The Motor Pool Fund is used for the purchase and maintenance of the City's fleet. Its revenues come from rental charges for equipment to other funds. 4) The Retiree's Health Care Fund - Court is used for the accumulation of assets to fund retiree's health care for District court employees and 5) The Retiree's Health Care Fund – General is used for the accumulation of assets to fund retiree's health care for city employees.

FIDUCIARY FUNDS

Trust and Agency Funds - Trust Funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments, and/or other funds. The City has a Pension Trust Fund, which accounts for assets, liabilities, revenues and expenses in essentially the same manner as Proprietary Funds since capital maintenance is critical.

Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and/or other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has a Payroll Agency Fund used to account for payment of employee's payroll. It also uses an Escrow Agency Fund used to hold assets belonging to another person or entity such as bond deposits.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. Revenues are generally considered available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected within 60 days after year end to pay liabilities of the current period. Significant revenues susceptible to accrual include reimbursement grants, state shared revenues and charges for services.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred provided the liability normally would be liquidated with expendable available financial resources. The major exception to this general rule is principal and interest on general long-term debt which is recognized when due.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus. This means that generally only current assets and current liabilities are included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available, spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

All proprietary funds, pension trust funds and agency funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Unbilled Water and Sewer Fund utility service receivables are recorded at year-end.

All proprietary funds and the pension trust funds are accounted for on a cost of services or "economic resources" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their statements of net assets. Proprietary funds and the pension trust funds report fund equity as net assets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUDGETARY DATA

Budgets are adopted on the modified accrual basis consistent with generally accepted accounting principles except that transfers are reported as revenue and expenditures. Annual appropriated budgets are adopted for the General, Special Revenue, and Capital Project Funds and the following Debt Service Funds - 2003 Street Improvement Fund, 2006 Street Improvement Fund and the 2003 Refunding Bond Fund. Annual budgets lapse at year-end. A budget is not adopted for the Municipal Building Authority Debt Service Fund.

The level of budgetary control (the level at which expenditures may not legally exceed appropriations) is at the department (activity) level for the General Fund and the activity level for Special Revenue and Debt Service Funds.

The governing body must approve budget amendments at the activity level and supplemental appropriations, which affect total fund expenditures. Department Directors or the City Manager can transfer appropriations between line items within a department or activity without governing body approval. Supplemental appropriations were necessary during the year, which increased total expenditures.

ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other firm commitments are used for the expenditure of monies, is utilized as an extension of formal budgetary control in the governmental funds. Encumbered amounts lapse at year-end, however, material encumbrances generally are reappropriated as part of the following year's budget. These material encumbrances outstanding at year-end, if any, are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

DEPOSITS AND INVESTMENTS

The City of Oak Park's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. All investments are recorded at fair value.

INTERFUND RECEIVABLES/PAYABLES

In addition to transactions related to pooled cash, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are included in the "Due from Other Funds" or "Due to Other Funds" accounts on the balance sheet.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reported the following receivables as of June 30, 2007:

	<u>Taxes</u>	<u>Accounts</u>	<u>Special Assessments</u>	<u>Accrued Interest</u>	<u>Due From Other Governments</u>	<u>Due From Other Funds</u>	<u>Total Receivables</u>
Governmental Activities:							
General	\$ 446,584	\$ 351,859	\$ -	\$ 10,278	\$ 732,401	\$ 98,630	\$ 1,639,752
Special Revenue	54,244	333,493	-	5,863	298,048	-	691,648
Debt Service	89,678	-	-	-	-	-	89,678
Capital Projects	-	742,148	83,831	45,224	-	-	871,203
Internal Service	-	-	-	6,922	-	-	6,922
Total -							
Governmental Activities	<u>\$ 590,506</u>	<u>\$ 1,427,500</u>	<u>\$ 83,831</u>	<u>\$ 68,287</u>	<u>\$ 1,030,449</u>	<u>\$ 98,630</u>	<u>\$ 3,299,203</u>
Business-Type Activities							
Water and Sewer	<u>\$ -</u>	<u>\$ 3,190,511</u>	<u>\$ 51,045</u>	<u>\$ 3,323</u>	<u>\$ 327,519</u>	<u>\$ -</u>	<u>\$ 3,572,398</u>

Special Assessments are the only receivables not expected to be collected within one year.

The City reported the following payables as of June 30, 2007:

		<u>Accrued</u>	<u>Due To Other</u>	
	<u>Accounts</u>	<u>Wages</u>	<u>Funds</u>	<u>Total</u>
Governmental Activities				
General	\$ 376,984	\$ 204,058	\$ -	\$ 581,042
Special Revenue	589,932	34,703	38,683	663,318
Debt Service	1,131	-	-	1,131
Capital Projects	662,024	737	59,947	722,708
Internal Service	<u>53,611</u>	<u>103,640</u>	<u>-</u>	<u>157,251</u>
Total -				
Governmental Activities	<u>\$1,683,682</u>	<u>\$ 343,138</u>	<u>\$ 98,630</u>	<u>\$ 2,125,450</u>
Business-Type Activities				
Water and Sewer	<u>\$ 618,620</u>	<u>\$ 118,565</u>	<u>\$ -</u>	<u>\$737,185</u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

CAPITAL ASSETS

Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their fair market value on the date donated.

Depreciation of all exhaustible capital assets used by proprietary fund types is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund type statements of net assets. Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

Water and sewer system	20 to 100 years
Roads	25 years
Sidewalks	20 years
Vehicles	3 to 10 years
Machinery and equipment	3 to 30 years
Buildings and improvements	10 to 50 years
Library Books	5 years

UNEARNED REVENUES

Unearned revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The City has reported as deferred revenues \$858,278 related to the personal property taxes, assessments receivable, and cellular antennae franchise fees and certain accounts receivable within the General Fund; \$76,728 for assessments receivable in the Major Street Fund, \$62,813 related to solid waste taxes, \$6,579 in the narcotics forfeiture fund in the Special Revenue Funds; and \$84,645 for taxes receivable within the Debt Service Funds; and \$35,715 in assessments receivable in the sidewalk program Capital Project fund.

LONG-TERM OBLIGATIONS

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LONG-TERM OBLIGATIONS (Continued)

governmental fund. The remaining portion of such obligations is reported in the Statement of Net Assets. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds. For proprietary fund types, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and net of any deferred charges on bond refundings. Issuance costs are reported as deferred charges.

FUND EQUITY

Reserves represent those portions of fund equity not appropriate for expenditure or legally segregated for a specific future use. Designations represent equity designated by the City for specific future uses.

PENSION PLANS

The provision for pension cost is recorded on an accrual basis, and the City's policy is to fund pension costs as they accrue.

PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of December 31 each year. City taxes are levied and immediately due on the following July 1, are collected without penalty through September 15, and with penalty thereafter. City property tax revenues are recognized as revenues in the fiscal year levied to the extent that they are measurable and available, and collected within sixty days after year-end. The City bills and collects its own property taxes as well as taxes for the County, three school districts and a community college within its jurisdiction. Collections and remittances of the County and school taxes are accounted for in the Current Tax Agency Fund.

SPECIAL ASSESSMENTS

Special assessments are recorded as revenues when due, not when levied. Estimated annual installments not yet available are reflected as deferred revenue. Special assessments are billed annually on June 1 and are due and payable August 1.

COMPENSATED ABSENCES

Effective July 1, 1993, the City adopted Governmental Accounting Standards Board Statement No. 16, "Accounting for Compensated Absences" including Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

COMPENSATED ABSENCES (Continued)

Governmental Fund Financial Statements.” Sick pay and vacation hours earned are recognized in the governmental financial statements when they are paid.

The long-term portion of compensated absences related to the governmental funds is a liability recorded in the Statement of Net Assets. This liability is composed of: 1) employees who vest in the retirement system and are paid for fifty percent of unused sick days upon termination of employment and 2) Unused vacation paid upon termination of employment.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 20

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The City has elected not to follow subsequent private-sector guidance.

2. EXPENDITURES OVER BUDGET

Compliance with Amended Budget and Michigan Public Act (P.A.) 2 of 1968 and Other Budgeting Matters:

P.A. 2 of 1968 as amended provides that a local unit shall not incur expenditures in excess of the amount appropriated in budget resolutions of the governing body.

In the body of the financial statements, the City's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis, with the approved budgets of the City of those budgetary funds being adopted at the activity or department level. A comparison of the original budget adopted by City Council and budget amendments can be examined at City Hall, 13600 Oak Park Blvd., Oak Park, Michigan.

During the year ended June 30, 2007, the City incurred expenditures in certain budgetary funds, which were in excess of amounts appropriated, as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over Budget</u>
General Fund			
City Attorney	\$ 160,230	\$ 166,287	(\$6,057)
Public Information	\$ 340,970	\$ 351,294	(\$10,324)

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

2. EXPENDITURES OVER BUDGET (Continued)

General Fund (Continued)

Library	\$ 776,852	\$ 798,539	(\$21,687)
Local Street Fund	\$1,297,710	\$ 1,305,391	(\$7,681)
Community Development Block Fund	\$ 133,358	\$ 160,313	(\$26,955)
PUSH Program Grant Fund	\$ 0	\$ 7,500	(\$7,500)
District Court 45B Fund	\$2,055,224	\$ 2,124,990	(\$69,766)

The City's appropriation resolution is generally passed during the May preceding the fiscal year in which the planned expenditures relate. Subsequent amendments are made to avoid unfavorable variances from the original budget. Related resolutions are made to state the purpose and amount of the changes. The City Manager has the responsibility to enforce the budget. Unused appropriations do not carry forward to the next fiscal year.

3. BUILDING PERMITS AND RELATED COSTS

The City has the following revenues and costs related to building permits:

	<u>Prior Years</u>	<u>FY 2006 – 2007</u>	<u>Total</u>
Building permit revenue	\$1,011,016	\$ 162,808	\$ 1,173,824
Less: Expenditures	<u>(1,744,286)</u>	<u>(356,696)</u>	<u>(2,100,982)</u>
Shortfall at June 30	<u>(\$733,270)</u>	<u>(\$ 193,888)</u>	<u>(\$ 927,158)</u>

4. DEPOSITS AND INVESTMENTS

Cash and cash equivalents per:

Statement of Net Assets	\$ 7,753,152
Statement of Fiduciary Net Assets	2,239,506

Investments per:

Statement of Net Assets	6,834,272
Statement of Fiduciary Net Assets	62,815,378

Restricted cash and cash equivalents per

Statement of Net Assets	<u>112,539</u>
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Total Deposits and Investments	<u>\$79,754,847</u>
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CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

4. DEPOSITS AND INVESTMENTS (Continued)

Restricted Cash:

The amount of \$112,539 in restricted cash represents bonds posted by individuals who have pending court cases in the 45B District Court Fund. These bonds must be returned to the individuals and therefore are restricted.

Deposits:

To the extent that cash from various funds have been pooled, related investment income is allocated to each fund based on relative participation in the pool, except that Agency Funds investment earnings are allocated to the General Fund.

Investments:

Statutory Authority

State statutes authorize the City of Oak Park to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended through 12/31/97.

The City of Oak Park investment policy allows for all of these types of investments.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

As of June 30, 2007 the City of Oak Park had the following investments in its internal investment pool:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Percent of Portfolio</u>
Certificates of Deposit:			
Charter One Bank	August, 2007	\$ 500,000	3.81 %
Fifth Third Bank	July, 2007-May, 2008	2,214,266	16.85
Bank of Bloomfield Hills	July, 2006-Feb., 2007	1,934,911	14.73
Commercial Paper:			
Citigroup	August, 2007	1,512,221	11.51
Hanover Funding	August, 2007	1,592,582	12.11
Daimler Chrysler	July, 2007	1,309,980	9.97
U. S. Agencies			
Federal National Mortgage Assoc.	April, 2008	1,009,678	7.68
Federal Home Loan Bank	Oct, 2008-Nov., 2008	1,515,611	11.54
Federal Home Loan Mortgage Corp.	Feb. 2006-Nov., 2009	<u>1,549,837</u>	<u>11.80</u>
Total		<u>\$ 13,139,086</u>	100 %

As a means of limiting its exposure to fair value losses arising from rising interest rates, the city's investment policy limits at least sixty percent of the city's investment portfolio to maturities of less than three years. The city's investment policy also prohibits investments with a maturity of greater than five years.

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). The city's investment policy has the same limits. As of June 30, 2007 the city's investment in Daimler Chrysler commercial paper was rated A2 by Standard & Poor's and P2 by Moody's Investors Services. As of June 30, 2007 the city's investment in Citigroup commercial paper was rated A1 by Standard & Poor's and P1 by Moody's Investors Services. The city's investment in Hanover Funding commercial paper was rated A1 by Standard & Poor's and F1 by Fitch Ratings Services.

Custodial credit risk is the risk that in the event of a bank failure, the city's deposits may not be returned. State law does not require and the city does not have a policy for deposit custodial credit risk. As of year end \$4,349,177 of the city's certificates of deposit of \$4,649,177 was exposed to custodial credit risk because it was uninsured and uncollateralized.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require a policy

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

for investment custodial risk. The city's investment policy requires all securities (except certificates of deposit) purchased by the city shall be properly designated as an asset of the city and held in safekeeping by a third party custodial bank or other third party custodial institution, chartered by the United States government or the State of Michigan, and no withdrawals of such securities shall be made from safekeeping except by the city.

State law limits allowable investments but does not limit concentration of credit risk. The city's investment policy limits the amount that can be invested in a single security type to 50 percent (excluding U.S. securities) and limits the amount invested in a single financial institution to 25 percent. The level of concentration of each investment is in the above table.

State statutes govern the City's investment policies. General City funds must be deposited in government insured bank accounts in banks, savings and loans, and credit unions, provided the latter two meet State Filing requirements and its lending practices are not discriminatory. Pension trust fund investments must conform to the limits and standards set forth in Michigan Public Act 55 of the Public Acts of 1982, as amended, and Public Act 252 of 1988.

The term of investments and financial institutions used for investment purposes are determined based on City needs. The City Treasurer periodically assesses the financial strength and services provided by financial institutions to help ensure that integrity of principal and City investment needs are met.

The City's investments in the Employees Retirement Plan at June 30, 2007 are summarized as follows:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Credit Risk Rating</u>
U.S. Government Obligations:			
GNMA Pools	10/15/2008 – 6/30/2012	\$ 1,040	Aaa
	7/1/2012 – 2/15/2014	2,432	Aaa
Federal Home Loan Bank	10/25/2010 – 6/30/2012	430,181	Aaa
	7/1/2012 – 6/30/2017	1,439,415	Aaa
Federal Farm Credits	11/22/2010 – 9/24/2012	523,440	Aaa
Mortgage Backed Securities	11/1/2009 – 6/30/2012	958,897	Aaa
	7/1/2012 – 6/30/2017	4,505,605	Aaa
	7/1/2017 – 6/30/2033	1,409,422	Aaa
Corporate Bonds	7/1/2007 – 6/30/2012	5,660,905	Aaa–Baa3
	7/1/2012 – 6/30/2017	4,263,101	A1–Baa3
	7/1/2017 – 6/30/2022	1,596,091	A1–Aa3
	7/1/2022 – 5/1/2028	313,517	Aa2

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Common Stock	40,170,443
Preferred Stocks	<u>1,474,363</u>
Total	<u>\$ 62,748,852</u>

Credit Ratings are provided by Moody's Investor Service.

Pension trust investments are subject to a number of restrictions as to the type, quality, and concentration of investments made, including the limiting of equity investments.

Included in the City's investments at June 30, 2007 are the following:

- a) Approximately \$3,472 of securities issued by the Government National Mortgage Association (GNMA), \$4,253,802 issued by the Federal National Mortgage Association (FNMA) and \$1,010,160 of Federal Farm Credits. These investments are backed by the full faith and credit of the U.S. government. The yields provided by these mortgage-related securities historically have exceeded yields on other types of U.S. government securities with comparable maturities, in large measure due to the potential for prepayment. Prepayment could result in difficulty in reinvesting the prepaid amounts in investments with comparable yields.
- b) Approximately \$2,854,930 of collateralized mortgage obligations (or obligations of the Federal National Mortgage Association or Government National Mortgage Association). These investments are usually not backed by the full faith and credit of the U. S. government. Credit ratings are supplied above. The yields provided by these mortgage-related securities historically have exceeded yields on other types of U. S. government securities with comparable maturities, in large measure due to the potential for prepayment. Prepayment could result in difficulty in reinvesting the prepaid amounts in investments with comparable yields.
- c) Variable rate instruments (floaters) of approximately \$1,148,068. These securities are based on cash flows from interest and principal payments in underlying securities. These variable rate debt instruments are tied to prevailing short-term interest rates and are relatively insensitive to interest rate changes. There is no prepayment risk associated with these instruments.

The mutual funds are registered with the SEC. The Michigan Banking Act regulates the bank investment pools. The fair value of the position in the bank investment pools is the same as the value of the pool shares. The bank investment pools and mutual funds are not categorized because they are not evidenced by securities that exist in physical or book entry form. Management believes that the investments in these funds comply with the investment authority noted above.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

5. PROPERTY TAXES

Property taxes are levied based on taxable values of property located in the City. Taxable values are established annually. The taxable property values for the 2006 tax levy are as follows:

	<u>Taxable Value</u>
Real property	\$645,766,460
Personal property	<u>44,318,580</u>
Total	<u>\$690,085,040</u>

The City is permitted by City Charter to levy up to a maximum of \$20.00 (20 mills) per \$1,000 of Taxable Value for operations that is reduced by the Headlee Act and the Truth in Taxation Act. Additionally, state law allows the City to levy taxes for solid waste collection and disposal. It is also permitted to levy unlimited amounts for repayment of existing general long-term debt obligations. As of July 1, 2006, 17.3530 mills were levied for general governmental services, 2.4539 mills were levied for solid waste and 4.0081 mills were levied for long-term debt retirement.

6. CAPITAL ASSETS

The City adopted a Capitalization Policy that identified Capital Assets as those items having a value of \$5,000 or more as of June 30, 2000. In conjunction with this policy an appraisal of all Capital Assets as of June 30, 2000 was conducted by an independent appraisal firm. In the appraisal process costing techniques used were in compliance with Generally Accepted Accounting Principals (GAAP). Original cost and acquisition date was used for property inventoried when invoices and accurate records were available. Standard costing and normal costing techniques were used when original records were not available. Infrastructure assets included all items regardless of their acquisition date or amount.

In standard costing, inventoried property units/groups not reconciled to a historical record received an estimated cost, where possible, based on a standard cost - a known average installed cost for a like unit at the estimated acquisition date. The unit's age is estimated based on observed condition, manufacturer's name, model, serial number, age of the facility, and other factors.

In normal costing, where the preceding technique cannot be employed to apply historical cost, cost is estimated based on a present cost reproduction new indexed by a reciprocal factor of the price increase from the estimated date acquired to the appraisal date.

General Capital Assets are reported as of June 30, 2007 based on this appraisal report. Deletion amounts reported as of June 30, 2007 are based on this appraisal report. Additions are based on actual activity during the fiscal year.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

6. CAPITAL ASSETS (Continued)

	<u>Balance</u> <u>July 1, 2006</u>	<u>Primary Government</u> <u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30,</u> <u>2007</u>
Governmental Activities:				
<u>Nondepreciable Assets</u>				
Land	\$1,503,145	0	0	\$1,503,145
Rights-of-way	600,818	0	0	600,818
Work in progress	4,547,325	5,439,840	(3,185,491)	6,801,674
<u>Depreciable Assets</u>				
Infrastructure – roads	87,010,119	4,491,855	0	91,501,974
Infrastructure – sidewalks	4,160,300	108,134	(115,000)	4,153,434
Buildings	3,305,097	0	(48,200)	3,256,897
Improvements – other	2,341,636	245,477	0	2,587,113
Library collection	262,927	23,521	0	286,448
Vehicles and equipment	3,364,031	238,513	(210,099)	3,392,445
Miscellaneous equipment	<u>1,457,060</u>	<u>0</u>	<u>(156,708)</u>	<u>1,300,352</u>
Subtotal - Depreciable Assets	<u>101,901,170</u>	<u>5,107,500</u>	<u>(530,007)</u>	<u>106,478,663</u>
Total at historical cost	<u>108,552,458</u>	<u>10,547,340</u>	<u>(3,715,498)</u>	<u>115,384,300</u>
Less accumulated depreciation for:				
Infrastructure – roads	(71,125,493)	(1,313,899)	0	(72,439,392)
Infrastructure - sidewalks	(2,121,299)	(207,672)	115,000	(2,213,971)
Buildings	(2,675,967)	(41,477)	48,200	(2,669,244)
Improvements – other	(676,340)	(83,002)	0	(759,342)
Library collection	(142,537)	(42,251)	0	(184,788)
Vehicles and equipment	(2,024,840)	(279,445)	210,099	(2,094,186)
Equipment - general	<u>(1,282,760)</u>	<u>(47,312)</u>	<u>156,708</u>	<u>(1,173,364)</u>
Total accumulated depreciation	<u>(80,049,236)</u>	<u>(2,015,058)</u>	<u>530,007</u>	<u>(81,534,287)</u>
Subtotal - Depreciable Assets	<u>21,851,934</u>	<u>3,092,442</u>	<u>0</u>	<u>24,944,376</u>
Governmental activities capital assets, net	<u>\$28,503,222</u>	<u>\$ 8,532,282</u>	<u>\$(3,185,491)</u>	<u>\$33,850,013</u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

6. CAPITAL ASSETS (Continued)

Business-type Activities:

	Balance	<u>Primary Government</u>		Balance
<u>Nondepreciable Assets</u>	<u>June 30, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2007</u>
Land	\$ 11,502	\$ 0	\$ 0	\$ 11,502
Work in Progress	<u>17,016,500</u>	<u>0</u>	<u>(134,197)</u>	<u>16,882,303</u>
Subtotal	<u>17,028,002</u>	<u>0</u>	<u>(134,197)</u>	<u>16,893,805</u>
<u>Depreciable Assets</u>	233,624	0	0	233,624
Buildings				
Garage	24,564	0	0	24,564
Equipment – other	32,737	0	0	32,737
Vehicles and Equipment	1,069,185	41,626	(59,879)	1,050,932
Water System	9,801,427	1,030,528	0	10,831,955
Water – Hydrants	560,836	0	0	560,836
Water – Tanks	166,833	0	0	166,833
Water – Pump Station	1,054,921	0	0	1,054,921
Water – Master Meter	27,514	0	0	27,514
Water – Reservoir	852,719	0	0	852,719
Water – Reservoir Pump	413,457	0	0	413,457
Sewer System	<u>1,392,846</u>	<u>244,169</u>	<u>0</u>	<u>1,637,015</u>
Subtotal - Depreciable Assets	<u>15,630,663</u>	<u>1,316,323</u>	<u>(59,879)</u>	<u>16,887,107</u>
Total at historical cost	32,658,665	1,316,323	(194,076)	\$33,780,912
Less accumulated depreciation for:				
Buildings	(200,840)	(3,678)	0	(204,518)
Garage	(24,564)	(0)	0	(24,564)
Equipment – other	(26,903)	(1,381)	0	(28,284)
Vehicles and Equipment	(897,430)	(81,166)	59,879	(918,717)
Water System	(3,165,960)	(130,602)	0	(3,296,562)
Water – Hydrants	(368,832)	(8,383)	0	(377,215)
Water – Tanks	(150,053)	(5,690)	0	(155,743)
Water – Pump Station	(744,441)	(31,131)	0	(775,572)
Water – Master Meter	(18,573)	(343)	0	(18,916)
Water – Reservoir	(435,225)	(14,950)	0	(450,175)
Water – Reservoir Pump	(207,344)	(9,394)	0	(216,738)
Sewer System	<u>(158,148)</u>	<u>(23,120)</u>	<u>0</u>	<u>(181,268)</u>
Total accumulated depreciation	<u>(6,398,313)</u>	<u>(309,838)</u>	<u>59,879</u>	<u>(6,648,272)</u>
Subtotal - Depreciable Assets	<u>9,232,350</u>	<u>1,006,485</u>	<u>0</u>	<u>10,238,835</u>
Business-type activities capital assets, net	<u>\$26,260,352</u>	<u>\$ 1,006,485</u>	<u>(\$134,197)</u>	<u>\$ 27,132,640</u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

6. CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 26,322
Judicial	1,499
Public Safety	19,497
Road Maintenance & Repair	1,521,570
Public Works	62,073
Culture and Recreation	58,670
Library	<u>44,325</u>
Sub-Total: Governmental Activities	1,733,956
In addition, depreciation on capital assets held by the City's internal service fund is charged to the various functions based on their usage of the assets	
	<u>281,102</u>
Total depreciation expense	<u>\$ 2,015,058</u>

7. SUMMARY OF PROPRIETARY TYPE FUNDS CAPITAL ASSETS

Proprietary type funds capital assets at June 30, 2007 are summarized as follows:

	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 11,502	\$ -
Buildings	258,188	-
Vehicles	1,050,932	3,392,445
Equipment	32,737	11,596
Water transmission and distribution mains	10,831,955	-
Fire hydrants	560,836	-
Water Tank	166,833	-
Water Pumping Station	1,054,921	-
Water Master Meter	27,514	-
Water Reservoir	852,719	-
Water Reservoir Pumping Station	413,457	-
Sewer System	1,637,015	-
Work in Progress	<u>16,882,303</u>	<u>-</u>
Total Undepreciated cost	33,780,912	3,404,041
Less: accumulated depreciation	<u>(6,648,272)</u>	<u>(2,104,126)</u>
Total proprietary fund types property and equipment, net of accumulated depreciation	<u>\$27,132,640</u>	<u>\$1,299,915</u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

8. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET ASSET

"Total fund balances" of the City's governmental funds (\$12,861,482) on the Governmental Funds Balance Sheet differs from "net assets" of governmental activities (\$19,619,156) reported in the statement of net assets. The difference primarily results from the long-term economic focus of the statement of net assets versus the current resources focus of the governmental fund balance sheets. The following is a description of each difference found on the reconciliation of government funds balance sheet and statement of net assets:

1. When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However the statement of net assets includes those assets among the assets of the City as a whole.

Cost of capital assets	\$111,980,259
Accumulated depreciation	<u>(79,430,161)</u>
	<u>\$ 32,550,098</u>

2. Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net assets. The balance of bonds payable as of June 30, 2007 is \$27,475,000 and is recognized as a liability on the statement of net assets but not on the governmental funds balance sheet.

3. Prepaid expenditures in Capital Project Funds (\$19,252) are a reservation of Fund Balance on the Governmental Balance Sheet but an Unrestricted Net Assets on the Statement of Net Assets.

4. The City provides employees with sick, vacation, and personal leave, which can be accumulated and redeemed for compensation at retirement. This leave is referred to as accumulated compensated absences. Leave not used at the end of the fiscal year is not payable from current resources and is not recognized on the governmental funds balance sheet. The amount of \$2,065,134 is recognized as a long-term liability on the statement of net assets. The amount payable by fund is as follows:

General Fund	\$ 1,865,663
Major Streets	11,032
Local Streets	6,576
District Court	<u>181,863</u>
	<u>\$ 2,065,134</u>

5. Some revenues will not be collected for several months after the City's fiscal year ends and are not considered "available" revenues in governmental funds. These revenues are presented as "deferred revenues" with a corresponding accounts receivable on the

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

8. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET ASSET (Continued)

governmental funds balance sheet. These revenues are recognized as revenues in the period which they were earned, with a corresponding estimate of uncollectible amounts, on the statement of net assets. These amounts are as follows:

	<u>Total</u>	<u>Estimated Allowance for Uncollectible Accounts</u>		<u>Revenue</u>
		<u>Percent</u>	<u>Amount</u>	
Delinquent personal property tax	\$ 558,923	21.40	\$119,610	\$ 439,313
Emergency Service Billings	237,431	15.00	33,675	203,756
Special Assessments	<u>112,443</u>	0	<u>0</u>	<u>112,443</u>
Total	<u>\$ 908,797</u>		<u>\$ 153,285</u>	<u>\$ 755,512</u>

The City levies a tax on personal property of commercial and industrial businesses. Taxes that remain unpaid at the end of the tax year are collected by Oakland County under a contractual agreement with the City. The uncollectible amount is estimated using past experience of canceled accounts.

Emergency Service Billings represent amounts charged to persons convicted of drunk driving and are charged for time and materials used in their arrests. Uncollectible amounts were estimated using past experience of amounts written off by the City's collection agency.

Special Assessments are levied on properties that have services performed for them by the City, such as weed mowing. These amounts are put on a taxpayer's property tax bill and are paid 100% by the Oakland County as part of the tax settlement.

6. Internal service funds are used by management to charge the costs of certain activities, such as risk management and motor pool, to individual funds. The balance of assets, liabilities, and fund equity at year-end are accounted for on the statement of net assets but not on the governmental balance sheet.

9. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES

The "net change in fund balances" for governmental funds (\$5,922,355 decrease) on the Statement of Revenues, Expenditures and Changes in Fund Balance differs from the "change in net assets" for governmental activities (\$1,043,908 increase) reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The following is a description of each difference found on the reconciliation of

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

9. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES (continued)

statement of revenues, expenditures and changes in fund balance to the statement of activities:

1. Capital outlays are reported as an expenditure in the statement of revenues, expenditures and changes in fund balance. The costs of these outlays are spread over the estimated useful lives of the assets (depreciation) in the statement of activities. The difference is illustrated below:

Total additions:	\$10,547,340
Less: Internal Service Funds capital purchases	(238,513)
Amount added from Work in Progress	<u>(3,185,491)</u>
Capital outlays as expenditures in FY 2006-2007	7,123,336
Total depreciation:	\$2,015,058
Less: Internal Service Funds depreciation	<u>(281,102)</u>
	<u><u>\$ 5,389,380</u></u>

2. Principal on long-term debt was reduced in FY 2006-2007 by \$1,580,000. The debt was originally issued to purchase capital assets and the outstanding liability is reported as reduction of net assets. Reducing the liability increases net assets.

3. Deferred revenue is estimated as explained in footnote 8(5) above. The estimate of revenue earned in FY 2006-2007 by program is as follows:

General Government	\$ (763)
Public Safety	18,856
Road Maintenance & Repair	20,370
Health and Sanitation	7,078
Community Development	(2,335)
General Tax Revenue	<u>27,735</u>
	<u><u>\$ 70,941</u></u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

9. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES (continued)

4. The change in the long-term expense for accumulated compensated absences reported in the statement of activities and not the statement of revenues, expenditures and changes in fund balance is as follows:

General Fund	\$106,559
Major Streets	340
Local Streets	897
District Court	<u>16,550</u>
	<u>\$124,346</u>

These expenses were charged to the following programs on the Statement of Activities:

General Government	\$ 51,367
Judicial	16,550
Public Safety	65,195
Road Maintenance & Repair	1,236
Public Works	21,013
Culture and Recreation	(13,302)
Library	<u>(17,713)</u>
	<u>\$ 124,346</u>

5. Internal service funds are used by management to charge the costs of certain activities, such as risk management, motor pool, central services, and retiree's health care to individual funds. The change in net assets of Internal Service Funds in FY 2006-2007 were included in the following programs on the Statement of Activities:

General Government	\$ (13,511)
Judicial	(45,540)
Public Safety	(31,120)
Road Maintenance & Repair	(3,142)
Public Works	(2,395)
Health and Sanitation	(5,888)
Culture and Recreation	(3,447)
Library	(2,525)
Community Development	(1,454)
General Interest, Loss and Contribution	<u>159,310</u>
	<u>\$ 50,288</u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

9. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES (continued)

The City's policy for eliminating the activity in the Risk Management Fund is to spread the income or loss to each activity based on direct expenditures of each activity before internal activity is eliminated.

The City's policy for eliminating the activity in the Motor Pool Fund is to spread the income or loss to each activity based on the number of vehicles used.

The City's policy for eliminating the activity in the Central Services Fund is to spread the income or loss to each activity based on direct expenditures of each activity before internal activity is eliminated.

The City's policy for eliminating the activity in the Retirees Health Care Fund is to spread the income or loss to each activity based on the number of retirees receiving health insurance.

10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of the Michigan Municipal League sponsored self-insurance/public entity risk pools. The City pays annual premiums to the respective pools for general liability, property and workers' compensation insurance coverage and carries commercial insurance for other risks of loss. The agreements for the formation of the Michigan Municipal Liability and Property Fund and the Michigan Municipal Workers Compensation Fund provide that the pools will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of limitations imposed by the pool.

General Liability and Property

The City's Risk Management Fund is used to account for and finance the expenditures of the general liability and property plan. The Michigan Municipal Liability and Property Fund provides various levels of coverage, depending on which policy covers the claim. The City has numerous policies but the major policy limits are as follows: public officials and public safety officers claims are covered up to \$10 million per occurrence, vehicle liability claims are covered up to \$1 million per occurrence, and employee dishonesty claims are covered up to \$500,000. For claims that are in excess of policy limitations, reinsurance with commercial companies has been provided.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

10. RISK MANAGEMENT (Continued):

Workers' Compensation

The Risk Management Internal Service Fund is also used to account for and finance the expenditures of the workers' compensation plan. The Risk Management Fund charges other City of Oak Park funds amounts that will provide for future expected and unexpected losses. The Risk Management Fund allocates the cost of providing claim servicing and claim payments by charging a "premium" to each fund, based on a percentage of each fund's estimated current year payroll. The plan has been approved by the State of Michigan under the Michigan Workers' Disability Compensation Act.

Workers compensation claims are covered by the Michigan Municipal Worker's Compensation Self-Insurer's Fund. Under the terms of the agreement, the Fund will pay all claims incurred, up to a maximum of \$500,000 per occurrence. The City's liabilities for claims are recorded in the Risk Management Fund when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an estimated amount for claims that have been incurred but not reported. Because actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claim liability does not necessarily result in an exact amount. Claim liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

The City's estimated claims payable at June 30, 2007 is \$74,000.

Changes in the fund's claims liability amount are as follows:

Fiscal year ended June 30:	Beginning of year liability	Current year claims	Claim payments and changes in estimates	End of Year Liability
2003	\$ 74,000	\$ 53,103	\$ 53,103	\$ 74,000
2004	74,000	48,183	48,183	74,000
2005	74,000	62,132	62,132	74,000
2006	74,000	15,350	15,350	74,000
2007	74,000	1,859	1,859	74,000

Insurance settlements have not exceeded insurance coverage in any of the past three years.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

10. RISK MANAGEMENT (Continued):

The Michigan Municipal Liability and Property Fund and the Michigan Municipal Workers Compensation Fund have published their own financial reports, which can be obtained by contacting the management of each pool.

Health Insurance

The City provides health care benefits for substantially all of its employees and certain retirees under a commercial insurance policy. The policy utilizes an experience rating system, whereby insurance premium rates are affected by the actual claims reported. A settlement is performed annually covering the policy period, ending in March. If actual and estimated claims are in excess of the premiums paid during the policy period, the excess is recovered through subsequent premium increases, not to exceed thirty percent of the excess claims. If claims are less than premiums paid, then fifty percent of the excess premiums may be used to offset future premiums or refunded at the option of the City.

11. DEFINED BENEFIT PENSION PLAN

Plan Description and Contribution Information

The following brief description of the City of Oak Park Employee's Retirement Plan and Trust (Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

General

The Plan, established by Chapter 15 of the City of Oak Park, Michigan Charter, is a single-employer defined benefit pension plan covering all employees of the City of Oak Park hired before August 1, 2004. General employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006 are part of the defined contribution pension system described below. The City of Oak Park is the administrator of the defined benefit plan. Administrative costs of the Plan are financed through investment earnings. The Plan is included as a pension trust fund in the City's primary government financial statements and a stand-alone financial report of the Plan has not been issued.

Membership of the plan consisted of the following at June 30, 2006, the date of the latest actuarial valuation:

	Retirees and Beneficiaries Currently Receiving Benefits	Inactive Employees entitled to Benefits but Not Receiving them
General	132	13
Public Safety	<u>83</u>	<u>9</u>
Total	<u>215</u>	<u>22</u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

11. DEFINED BENEFIT PENSION PLAN (Continued)

	<u>Active Employees</u>		<u>Total</u>
	<u>Vested</u>	<u>Non-Vested</u>	
General	30	73	103
Public Safety	<u>17</u>	<u>46</u>	<u>63</u>
Total	<u>47</u>	<u>119</u>	<u>166</u>

Eligibility

Employees retiring with ten or more years of service are entitled to annual pension benefits. General employees may retire at age 55, with retirement mandatory at age 70 without the employer's consent to continue. General non-union employees may retire after 25 years of service, regardless of age. Public safety employees may retire at age 50, with retirement mandatory at age 60 without the employer's consent to continue. Public Safety employees may retire after 25 years of service, regardless of age.

Vested employees receive a retirement benefit based on a formula established by a Negotiated Union Contract or City Ordinance. Employees can also receive a benefit based on a disability that occurred on the job (Duty Disability), a disability that occurred outside employment (Non-Duty Disability), or Death (paid to surviving spouse or dependent). Benefits can be amended by City Ordinance (voted on by a majority of City Council) or a negotiated contract with union groups.

Contributions

Employee Contributions

Eligible general employees are not required to contribute to the Plan. Eligible public safety employees are required to contribute 5.55% of their annual compensation to the Plan in fiscal year 2006-2007. Such aggregate contributions amounted to \$414,047 (before refunds) for the year ended June 30, 2007.

Employer Contributions

The City also makes contributions to the Plan, at annual actuarially determined amounts, to provide assets sufficient to meet the benefits to be paid to plan members. The current rate paid by the City is 35.70% of annual covered payroll for General members and 51.19% of annual covered payroll for Public Safety members.

Employer and employee contributions are established, and may be amended, by City Charter and Council approved union contracts.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

11. DEFINED BENEFIT PENSION PLAN (Continued)

Summary of Significant Accounting Policies

Basis of Accounting

The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due.

The City's contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The plan uses the entry age actuarial cost method and a 4-year smoothed market method to value assets.

Method Used to Value Investments

The Plan's investments are reported at fair value which is determined using selected bases as follows: securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; investments that do not have established market values are reported at estimated fair value; and cash deposits are reported at carrying amounts which reasonably estimates market value.

Annual Pension Cost and Net Pension Obligation

The City's annual pension cost and net pension obligation to the City of Oak Park Employee's Retirement Plan and Trust for the current year were as follows:

Annual required contribution/pension cost	\$4,402,080
Contribution made	<u>(4,402,080)</u>
Increase (decrease) in net pension obligation	-
Net pension obligation, beginning of year	<u>-</u>
Net pension obligation, end of year	<u>\$ -</u>

The annual required contribution for the current year was determined as part of a June 30, 2005 actuarial valuation using the level contribution method. The actuarial assumptions included (a) 7.5% investment rate of return on the investment, which includes 4% attributable to inflation, compounded annually, (b) projected salary increases of 4% per year compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0% to 4.0% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will not increase after retirement. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded, actuarial accrued liability is being amortized as a level percentage of projected payroll with 10 years remaining from a 40-year schedule, as of June 30, 2006.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

11. DEFINED BENEFIT PENSION PLAN (Continued)

Reserves - As of June 30, 2007 the plan's reserves have been fully funded as follows:

Legally required reserves:

Reserves for employees' contributions	\$ 4,307,798
Reserves for retired benefit payments	10,959,774
Additional reserves - Reserve for employer contributions	<u>49,491,843</u>
Total Reserves	<u>\$ 64,759,415</u>

The amortization period is closed - a specific number of years is counted from one date and, therefore, declines to zero with the passage of time.

Trend Information

<u>Year Ending</u>	<u>Three Year Trend Information</u>		
	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2005	\$2,506,790	100%	\$ -
6/30/2006	3,724,277	100%	-
6/30/2007	4,402,080	100%	-

12. 45B DISTRICT COURT MONEY PURCHASE PENSION PLAN

The 45B District Court Money Purchase Pension Plan is held in trust and covers 24 employees of the District Court. The plan is available to employees after one year of employment and benefits are fully vested upon the seventh year of service. The third party administrator for this plan is Freedom One Financial. In the money purchase pension plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The money purchase pension plan cost to the 45B District Court for the fiscal year ended June 30, 2007 was \$163,871. The defined contribution pension cost to the employees was \$0. Contributions to the plan are recognized when due and payable. Plan provisions and contribution rates are established and may be amended by resolution of the City Council. Unvested benefits forfeited by employees who leave employment early are redistributed to active participants. Assets of the plan are valued at \$1,576,907 as of June 30, 2007.

13. DEFINED CONTRIBUTION PENSION PLAN

The City of Oak Park Defined Contribution Pension Plan provides retirement to General employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006. At June 30, 2007 there were 15 plan members. The City contributes 7.5% of covered payroll and will match an employee's voluntary contribution up to 3% of covered payroll. Plan provisions and contribution requirements are established by City Council. Total contributions for the year ended June 30, 2007 were \$11,467 by employees and \$43,319 by the City.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

14. POST RETIREMENT HEALTH BENEFITS

The City provides a post retirement, group hospitalization plan for its general employees and group hospitalization, dental and optical plans for its public safety employees hired before August 1, 2004. The City contributes 3% of covered payroll to a Health Savings Plan for General employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006. These plans were established through the employees' union contracts and employees not covered by union contracts will receive the same benefits that general employees receive.

The general employees' post retirement benefits and the public safety employees' coverage passes to the surviving spouse upon death of the retiree.

Currently 132 general retiree and 83 public safety retirees and surviving spouses are receiving benefits. The City pays 100% of the benefits for all public safety and general current retirees. A co-pay at the percentage indicated below will be required by retirees who were hired after January 18, 1993 for Public Safety Officers and July 1, 1992 for Public Safety Command Officers.

<u>Years of Service</u>	<u>Employer Pays</u>	<u>Employee Pays</u>
0-9	0%	100%
10-14	55	45
15-19	75	25
20-24	85	15
25 and up	100	0

Expenditures for the premiums are paid and recognized as they become due. During the year ended June 30, 2007, expenditures for general employees of \$919,845 and for public safety employees of \$669,648 were recognized for retiree health insurance premiums.

There is the added stipulation in the union contracts that once retirees and dependents reach age 65, they shall be converted to Medicare Complimentary Coverage.

The City has created a Retiree's Health Care Fund in anticipation of pre-funding retiree's health care in the future. The funds set aside are held in a fund authorized by Public Act 149 of the State of Michigan.

The Health Savings Plan for General employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006 had 11 plan members at June 30, 2007. The City contributes 3% of covered payroll. Plan provisions and contribution requirements are established by City Council. Total contributions for the year ended June 30, 2007 were \$11,182.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

15. JOINT VENTURES

The City is a member of the Southeastern Oakland County Resource Recovery Authority (the "Authority") which consists of 12 municipalities in Oakland County and provides refuse disposal services for the benefit of member municipalities. The City appoints one member of the joint venture's governing board and controls six of sixty-nine votes. The governing board approves the annual budget. The participating communities provide funding for its operations. During the year ended June 30, 2007, the last available audited financial statements, the Authority reported an increase in net assets in the amount of \$224,154 resulting in ending net assets in the amount of \$5,746,595. During the year ended June 30, 2007, the City expended \$466,654 of payments made to the Authority. Complete financial statements for the Southeastern Oakland County Resource Recovery Authority can be obtained from the administrative offices at 3910 Webster Road, Royal Oak, Michigan, 48073.

16. LEASES

The City of Oak Park has an agreement with HoneyBaked Hockey Club for the operation of the City ice rink. HoneyBaked will pay rent of \$2,500 each month, which is to be paid in advance by the tenth of the month. The City may terminate the contract only if HoneyBaked fails to perform the terms and conditions of the contract. The City received \$30,000 from HoneyBaked for the fiscal year ended June 30, 2007.

17. LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2007:

	<u>Business-Type Activities - Enterprise Fund</u>	<u>Governmental Activities -General Obligation</u>		
		<u>Bonds</u>	<u>Accumulated Compensated Absences</u>	<u>Total</u>
Long-term debt payable at July 1, 2006	\$16,921,387	\$29,055,000	\$1,940,788	\$ 30,995,788
Debt issued or increases	143,541	0	167,898	167,898
Debt retired	<u>(973,374)</u>	<u>(1,580,000)</u>	<u>(43,552)</u>	<u>(1,623,552)</u>
Long-term debt at June 30, 2007	16,091,554	<u>\$27,475,000</u>	<u>\$2,065,134</u>	<u>\$29,540,134</u>
Accumulated compensated Absences				
June 30, 2006: \$ 47,223				
Additions 4,896				
Subtractions (9)	<u>52,110</u>			
Total - June 30, 2007	<u>\$ 16,143,664</u>			

Significant details regarding the types of debt are presented as follows:

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

17. LONG-TERM DEBT (Continued)

GENERAL OBLIGATION DEBT

<u>Bonds and Contracts Payable</u>	<u>Fund Servicing Debt</u>	<u>Final Payment Due</u>	<u>Interest Rate or Range</u>	<u>Annual Principal Payment Varies Between</u>	<u>Outstanding Balance June 30, 2007</u>
Street Improvement - 2003 Series	Debt	May 1, 2028	3.0-5.0%	\$150,000-\$760,000	\$ 10,595,000
Street Improvement - 2006 Series	Debt	May 1, 2030	4.0-5.0%	\$75,000-\$800,000	11,000,000
Street Improvement - Refunding Bond 2003 Series	Debt	May 1, 2012	2.5-3.5%	\$830,000-\$1,440,000	<u>5,880,000</u>
Total General Obligation Debt					<u>\$ 27,475,000</u>

The following amounts are due within one year:

Street Improvement - 2003 Series	\$ 155,000
Street Improvement - 2006 Series	75,000
Street Improvement – Refunding Bond - 2003 Series	<u>1,440,000</u>
Sub-Total	1,670,000
Accumulated Compensated Absences	<u>54,845</u>
Total	<u>\$ 1,724,845</u>

Debt service requirements:

<u>Year Ended</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
6/30/08	\$ 2,784,786	\$ 1,670,000	\$ 1,114,786
6/30/09	2,766,136	1,695,000	1,071,136
6/30/10	2,722,248	1,700,000	1,022,248
6/30/11	2,264,003	1,295,000	969,003
6/30/12	2,294,753	1,370,000	924,753
6/30/13 to 6/30/2017	8,443,190	4,410,000	4,033,190
6/30/18 to 6/30/2022	8,480,324	5,440,000	3,040,324
6/30/23 to 6/30/2027	8,471,053	6,785,000	1,686,053
6/30/28 to 6/30/2030	<u>3,377,950</u>	<u>3,110,000</u>	<u>267,950</u>
	<u>\$ 41,604,443</u>	<u>\$ 27,475,000</u>	<u>\$ 14,129,443</u>

All general obligation contract and bonded debt is supported by the City's full faith and credit.

Interest is payable on all obligations semi-annually. Principal is paid on an annual basis.

In Fiscal Year 2002-2003 the City issued two general obligation bonds totaling \$23,375,000 for the construction of streets and refunding of 1993 refunding bonds.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

17. LONG-TERM DEBT (Continued)

In November of 2002 the voters approved a millage for the construction of streets and parking lots allowing the City to issue debt in the amount of \$22.5 million. In May of 2003 the City borrowed \$11.5 million as the first phase of a six-year rebuilding program. In May of 2006 the City borrowed \$11 million as the second phase of this rebuilding program.

On June 30, 2002 the City had \$12.915 million outstanding debt from the 1993 Refunding Bonds. In May of 2003 these bonds were redeemed to take advantage of favorable interest rates. The 2003 Refunding Bonds in the amount of \$11.875 million were issued to replace these bonds.

REVENUE BONDS

<u>Bonds, Contracts and Notes Payable</u>	<u>Fund Servicing Debt</u>	<u>Final Payment Due</u>	<u>Interest Rate or Range</u>	<u>Annual Principal Payment Varies Between</u>	<u>Outstanding Balance June 30, 2007</u>
Water revenue bonds	Water	May 1, 2013	2.25% - 5.00%	\$310,000-\$385,000	\$ 2,070,000

LIMITED TAX GENERAL OBLIGATION BONDS

George W. Kuhn Drain Bonds	Water April 1, 2026	1.625% -5.375%	\$12,128-\$1,002,560	<u>14,021,554</u>
Total Revenue Bond Debt				<u>\$16,091,554</u>

The following amounts are due within one year:

1988 Water Revenue Bonds	\$ 310,000
George W. Kuhn Drain – Series A	106,455
George W. Kuhn Drain – Series B	33,688
George W. Kuhn Drain – Series C	466,918
George W. Kuhn Drain – Series D	18,865
George W. Kuhn Drain – Series E	50,532
George W. Kuhn Drain – Series 2005	9,433
George W. Kuhn Drain – Series 2007	31,667
Accumulated Compensated Absences	<u>6,447</u>
Total	<u>\$ 1,034,005</u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

17. LONG-TERM DEBT (Continued)

Debt Service requirements:

<u>Year Ended</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
6/30/08	\$ 404,975	\$ 310,000	\$ 94,975
6/30/09	408,000	320,000	88,000
6/30/10	407,000	335,000	72,000
6/30/11	405,250	350,000	55,250
6/30/12	407,750	370,000	37,750
6/30/13	<u>404,250</u>	<u>385,000</u>	<u>19,250</u>
Subtotal	2,437,225	2,070,000	367,225
George W. Kuhn Drain	<u>14,021,554</u>	<u>14,021,554</u>	<u>Not Available</u>
	<u>\$16,458,779</u>	<u>\$16,091,554</u>	<u>\$ 367,225</u>

The City is a participating community in the George W. Kuhn drain project. The project is administered by the Oakland County Drain Commission and financed through sale of drain bonds, draw downs from the State of Michigan revolving fund, Federal and State of Michigan grants and contributions from Oakland County, Michigan. The City along with thirteen other local communities are obligated for payment of principal and interest of the outstanding debt. It is currently anticipated that the City's total obligation at the end of construction will be approximately \$15.6 million with an interest rate ranging from 1.625% to 5.375%. As of June 30, 2007 the City's obligation is \$14.022 million and incurred interest expense of \$394,419 for the year then ended. Due to the current construction of the project, the sale of drain bonds and draws from the State of Michigan revolving fund are being incurred on as an as needed basis and thus an accurate schedule of principal and interest payments cannot be determined at this time.

The water revenue bonds are not a general obligation or indebtedness of the City but are payable solely from the net revenues of the Water Supply System Fund. As additional security, the City has signed a Revenue Sharing Pledge Agreement.

On June 30, 2003 the city had \$3.175 million outstanding debt from the 1992 Refunding Bonds. In March of 2004 these bonds were redeemed to take advantage of favorable interest rates. The 2004 Refunding Bonds in the amount of \$2.945 million were issued to replace these bonds.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

18. DEFEASANCE OF DEBT

During the Fiscal Year ended June 30, 2003 the City issued \$11,875,000 of general obligation bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purposes of generating resources for all future debt service payments on \$12,230,000 of refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the Statement of Net Assets. This advanced refunding was undertaken to reduce total debt service payments by \$1,276,703, which resulted in an economic gain of \$1,028,752. On June 30, 2007 \$5,880,000 remained outstanding.

During the Fiscal Year ended June 30, 2004 the City issued \$2,945,000 of revenue bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purposes of generating resources for all future debt service payments on \$3,175,000 of refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the Statement of Net Assets. This advanced refunding was undertaken to reduce total debt service payments by \$505,186 which resulted in an economic gain of \$430,028. On June 30, 2007 \$2,070,000 remained outstanding.

19. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS IN AND OUT

Individual fund receivable and payable balances at June 30, 2007 are shown below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 98,630	\$ -
Non-major Governmental Funds	<u>-</u>	<u>98,630</u>
Total	<u>\$ 98,630</u>	<u>\$ 98,630</u>

The interfund balance is due to the CDBG Fund (\$38,683), City Owned Property Fund (\$40,703) and the Sidewalk Program (\$19,244). Community Development Block Grant is a reimbursement type grant where funds must be expended before they are reimbursed, creating an interfund balance. The City Owned Property Fund accounts for the costs of taking tax reverted property and returning it to the tax roles. An interfund balance will remain until property is sold. The Sidewalk Program removes and replaces worn sidewalk and is billed to the homeowner. A balance will remain until the homeowner pays the bill.

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

19. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS IN AND OUT (Continued)

Interfund transfers for the year ended June 30, 2007 include:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 260,000	\$ 1,830,129
Major Street Fund	-	283,241
Solid Waste Fund	-	310,000
Non-Major Governmental Funds	2,141,870	28,500
Enterprise Funds:		
Water & Sewer Fund	<u>50,000</u>	<u>-</u>
 Total	 <u>\$2,451,870</u>	 <u>\$2,451,870</u>

Interfund transfers were made from the Caseflow Assistance Fund (\$28,500) to the Project Impact Program to account for the City's match to acquire a grant to help curb domestic violence. An amount was transferred from the General Fund (\$1,830,129) to the District Court Fund to cover expenditures in the court above those funded by revenues. The City is allowed to transfer up to 25% of funds received under Act 51 in the Major Street Fund to the Local Street Fund. An amount was transferred from the Major Street Fund (\$283,241) to the Local Street Fund to cover expenditures. An amount was transferred from the Solid Waste Fund (\$310,000) to reimburse the General Fund (\$260,000) and Water & Sewer Fund (\$50,000) for services rendered.

20. FUND BALANCE

A detailed listing of fund balances for reserved and unreserved balances is as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>
Reserved:					
Reserved for Debt Service	\$ -	\$ -	\$ 493,669	\$ -	\$ 493,669
Reserved for Future Capital Improvements	-	-	-	9,006,861	9,006,861
Reserved for Prepaid Expenditures	<u>302,693</u>	<u>44,913</u>	<u>-</u>	<u>19,252</u>	<u>366,858</u>
Total reserved	\$ 302,693	\$ 44,913	\$ 493,669	\$ 9,026,113	\$ 9,867,388
Unreserved:					
Undesignated	<u>1,735,777</u>	<u>1,258,317</u>	<u>-</u>	<u>-</u>	<u>2,994,094</u>
TOTAL FUND BALANCE	<u>\$2,038,470</u>	<u>\$1,303,230</u>	<u>\$ 493,669</u>	<u>\$ 9,026,113</u>	<u>\$12,861,482</u>

CITY OF OAK PARK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

21. COMPONENT UNIT AND FUND DEFICIT

As of June 30, 2007 the Brownfield Authority, a component unit of the City, had a fund deficit of \$4,848 as a result of expenditures made prior to taxes being captured. These expenditures will be reimbursed in the next fiscal year eliminating the deficit.

As of June 30, 2007 the City Owned Property Fund had a fund deficit of \$42,974. This fund accounts for the costs of taking tax reverted property and returning it to the tax roles. The deficit will be removed when the property is sold.

22. SUMMARY OF DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Litigation

Pursuant to the General Property Tax Laws of the State of Michigan, the City receives revenues from property taxes levied against real and personal property located in the City. A number of entities owning property within the City have appealed their assessments to the Michigan Tax Tribunal. Although a reduction by the Tax Tribunal of any such assessments would result in a liability for the City to refund some taxes which have been collected, management believes a contingent liability for such refunds would be immaterial to the financial statements.

There are several pending lawsuits in which the City is involved. The City Attorney estimates that potential claims against the City being defended by attorneys appointed by liability insurance carriers would not materially affect the operations or financial condition of the City. The City Attorney estimates, that while possible, it is not probable that the City will receive unfavorable rulings in the other lawsuits.

CITY OF OAK PARK

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

FOR THE YEAR ENDED JUNE 30, 2007

DEFINED BENEFIT PENSION PLAN

Trend Information

Schedule of Funding Progress (\$ in thousands)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Level Fund</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
06/30/2006	\$ 60,994	\$ 85,695	\$ 24,701	71.2%	\$ 9,552	258 %
06/30/2005	60,661	81,957	21,296	74.0%	9,448	225
06/30/2004	64,471	79,379	14,908	81.2%	8,875	168
06/30/2003	71,367	77,576	6,209	92.0%	8,872	70
06/30/2002	77,078	74,827	(2,251)	103.0%	9,146	(25)
06/30/2001	81,235	73,646	(7,589)	110.3%	9,282	(82)

Schedule of Employer Contributions (\$ in thousands)

<u>Fiscal Year</u>	<u>Contribution Rates as % of Valuation Payroll</u>	<u>Annual Required Contribution</u>	<u>Actual Annual Contribution</u>	<u>Percent of Required Contribution</u>
06/30/2006	38.99%	\$ 3,725	\$ 3,725	100
06/30/2005	26.25	2,507	2,507	100
06/30/2004	14.24	1,264	1,264	100
06/30/2003	9.37	831	831	100
06/30/2002	7.54	690	690	100
06/30/2001	12.27	1,139	1,139	100

**CITY OF OAK PARK, MICHIGAN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2007**

<u>ASSETS</u>	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	TOTAL
Cash and cash equivalents	\$ 171,374	\$ 489,716	\$ 184,058	\$ 845,148
Investments	131,162	51	164,621	295,834
Taxes receivable	-	89,678	-	89,678
Special assessments receivable	-	-	83,831	83,831
Accounts receivable	59,267	-	-	59,267
Accrued interest receivable	1,062	-	1,773	2,835
Due from other governmental units	38,599	-	-	38,599
Due from State	73,420	-	-	73,420
Due from other funds	-	-	-	-
Prepaid expenditures	37,758	-	18,579	56,337
Restricted assets:				
Cash and cash equivalents	112,539	-	-	112,539
<u>TOTAL ASSETS</u>	<u>\$ 625,181</u>	<u>\$ 579,445</u>	<u>452,862</u>	<u>\$ 1,657,488</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable	\$ 106,095	\$ 1,131	\$ 11,378	\$ 118,604
Accounts payable from restricted assets	112,539	-	-	112,539
Accrued and other liabilities	28,205	-	-	28,205
Due to other funds	38,683	-	59,947	98,630
Deferred revenue	6,579	84,645	35,715	126,939
 TOTAL LIABILITIES	 292,101	 85,776	 107,040	 484,917
FUND BALANCES				
Reserved for debt service	-	493,669	-	493,669
Reserved for capital projects	-	-	327,243	327,243
Reserved for prepaid expenditures	37,758	-	18,579	56,337
Unreserved	295,322	-	-	295,322
 TOTAL FUND BALANCES	 333,080	 493,669	 345,822	 1,172,571
 <u>TOTAL LIABILITIES AND FUND BALANCES</u>	 <u>\$ 625,181</u>	 <u>\$ 579,445</u>	 <u>\$ 452,862</u>	 <u>\$ 1,657,488</u>

**CITY OF OAK PARK, MICHIGAN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
JUNE 30, 2007**

	CRIMINAL			
	LOCAL	NARCOTICS	JUSTICE	DISASTER
	STREET	FORFEITURE	TRAINING	CONTINGENCY
<u>ASSETS</u>				
Cash and cash equivalents	\$ 15,123	\$ 31,402	\$ 4,568	\$ 1,734
Investments	13,526	28,087	4,086	1,551
Accounts receivable	-	-	-	-
Accrued interest receivable	231	303	44	17
Due from other governmental units	-	-	-	-
Due from State	73,420	-	-	-
Due from other funds	-	-	-	-
Prepaid expenditures	5,076	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 107,376</u>	<u>\$ 59,792</u>	<u>\$ 8,698</u>	<u>\$ 3,302</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable	\$ 1,851	\$ -	\$ -	\$ -
Accounts payable from restricted assets	-	-	-	-
Accrued and other liabilities	5,138	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	6,579	-	-
<u>TOTAL LIABILITIES</u>	<u>6,989</u>	<u>6,579</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Reserved:				
Prepaid expenditures	5,076	-	-	-
Unreserved	95,311	53,213	8,698	3,302
<u>TOTAL FUND BALANCES</u>	<u>100,387</u>	<u>53,213</u>	<u>8,698</u>	<u>3,302</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 107,376</u>	<u>\$ 59,792</u>	<u>\$ 8,698</u>	<u>\$ 3,302</u>

COMMUNITY DEVELOPMENT BLOCK GRANT	PROJECT IMPACT PROGRAM	P.U.S.H. PROGRAM	CASEFLOW ASSISTANCE FUND	45-B DISTRICT COURT	TOTAL
\$ -	\$ 19,264	\$ 491	\$ 28,693	\$ 70,099	\$ 171,374
-	17,229	440	25,663	40,580	131,162
-	-	-	-	59,267	59,267
-	186	5	276	-	1,062
38,599	-	-	-	-	38,599
-	-	-	-	-	73,420
-	-	-	-	-	-
2,449	-	-	-	30,233	37,758
-	-	-	-	112,539	112,539
\$ 41,048	\$ 36,679	\$ 936	\$ 54,632	\$ 312,718	\$ 625,181
\$ 662	\$ -	\$ -	\$ -	\$ 103,582	\$ 106,095
-	-	-	-	112,539	112,539
1,703	-	-	-	21,364	28,205
38,683	-	-	-	-	38,683
-	-	-	-	-	6,579
41,048	-	-	-	237,485	292,101
2,449	-	-	-	30,233	37,758
(2,449)	36,679	936	54,632	45,000	295,322
-	36,679	936	54,632	75,233	333,080
\$ 41,048	\$ 36,679	\$ 936	\$ 54,632	\$ 312,718	\$ 625,181

**CITY OF OAK PARK, MICHIGAN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS
JUNE 30, 2007**

	2003 STREET IMPROVEMENT BOND	2003 STREET REFUNDING BOND	2006 STREET IMPROVEMENT BOND	MUNICIPAL BUILDING AUTHORITY	TOTAL
<u>ASSETS</u>					
Cash and cash equivalents	\$ 323,899	\$ 117,179	\$ 39,354	\$ 9,284	\$ 489,716
Investments	-	-	-	51	51
Taxes receivable	60,113	26,349	3,216	-	89,678
<u>TOTAL ASSETS</u>	<u>\$ 384,012</u>	<u>\$ 143,528</u>	<u>\$ 42,570</u>	<u>\$ 9,335</u>	<u>\$ 579,445</u>
<u>LIABILITIES AND FUND BALANCES</u>					
LIABILITIES					
Accounts payable	\$ 400	\$ 731	\$ -	\$ -	\$ 1,131
Deferred revenue	58,827	23,254	2,564	-	84,645
<u>TOTAL LIABILITIES</u>	<u>59,227</u>	<u>23,985</u>	<u>2,564</u>	<u>-</u>	<u>85,776</u>
FUND BALANCES					
Reserved for Debt Service	324,785	119,543	40,006	9,335	493,669
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 384,012</u>	<u>\$ 143,528</u>	<u>\$ 42,570</u>	<u>\$ 9,335</u>	<u>\$ 579,445</u>

**CITY OF OAK PARK, MICHIGAN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
JUNE 30, 2007**

	PUBLIC	CITY OWNED	SIDEWALK	MUNICIPAL	
	IMPROVEMENT	PROPERTY	PROGRAM	BUILDING	TOTAL
				CONSTRUCTION	
<u>ASSETS</u>					
Cash and cash equivalents	\$ 26,171	\$ -	\$ -	\$ 157,887	\$ 184,058
Investments	23,407	-	-	141,214	164,621
Special assessments receivable	-	-	83,831	-	83,831
Accounts receivable	-	-	-	-	-
Accrued interest receivable	252	-	-	1,521	1,773
Prepaid Expense	-	-	-	18,579	18,579
<u>TOTAL ASSETS</u>	<u>\$ 49,830</u>	<u>\$ -</u>	<u>\$ 83,831</u>	<u>\$ 319,201</u>	<u>\$ 452,862</u>
<u>LIABILITIES AND FUND BALANCES</u>					
LIABILITIES					
Accounts payable	\$ -	\$ 2,271	\$ 9,107	\$ -	\$ 11,378
Deferred revenue	-	-	35,715	-	35,715
Due to other funds	-	40,703	19,244	-	59,947
<u>TOTAL LIABILITIES</u>	<u>-</u>	<u>42,974</u>	<u>64,066</u>	<u>-</u>	<u>107,040</u>
FUND BALANCES					
Reserved for Prepaid Expenditures	-	-	-	18,579	18,579
Reserved for capital improvements	49,830	(42,974)	19,765	300,622	327,243
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 49,830</u>	<u>\$ -</u>	<u>\$ 83,831</u>	<u>\$ 319,201</u>	<u>\$ 452,862</u>

CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF REVENUES, EXPENDITURES
and CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	TOTAL
REVENUES				
Property taxes	\$ -	\$ 2,756,042	\$ -	\$ 2,756,042
Special assessments	-	-	123,463	123,463
Intergovernmental revenue:				
Federal grants	160,313	-	-	160,313
State grants	553,585	-	-	553,585
Other grants	53,868	-	-	53,868
Charges for services	206,908	-	-	206,908
Fines and forfeitures	50,542	-	87,151	137,693
Interest	16,071	94,329	25,940	136,340
TOTAL REVENUE	1,041,287	2,850,371	236,554	4,128,212
EXPENDITURES				
Current:				
Judicial	2,124,990	-	-	2,124,990
Public safety	19,747	-	-	19,747
Road maintenance and repair	610,560	-	-	610,560
Public works	-	-	37,669	37,669
Community enrichment and development	204,878	-	42,974	247,852
Debt service:				
Principal	-	1,580,000	-	1,580,000
Interest	-	1,148,248	-	1,148,248
Prior year tax refunds	-	226	-	226
Capital outlay	694,831	-	108,134	802,965
TOTAL EXPENDITURES	3,655,006	2,728,474	188,777	6,572,257
REVENUES OVER (UNDER) EXPENDITURES	(2,613,719)	121,897	47,777	(2,444,045)
OTHER FINANCING SOURCES				
Transfers in	2,141,870	-	-	2,141,870
Transfers (out)	(28,500)	-	-	(28,500)
TOTAL OTHER FINANCING SOURCES (USES)	2,113,370	-	-	2,113,370
 Net change in fund balances	 (500,349)	 121,897	 47,777	 (330,675)
 FUND BALANCES, BEGINNING OF YEAR	 833,429	 371,772	 298,045	 1,503,246
 FUND BALANCES, END OF YEAR	 \$ 333,080	 \$ 493,669	 \$ 345,822	 \$ 1,172,571

CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	LOCAL STREET	NARCOTICS FORFEITURE	CRIMINAL JUSTICE TRAINING	DISASTER CONTINGENCY
REVENUES				
Intergovernmental revenue:				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants	447,127	-	15,010	-
Other grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	50,542	-	-
Interest	3,950	3,172	193	184
TOTAL REVENUE	451,077	53,714	15,203	184
EXPENDITURES				
Current:				
Judicial	-	-	-	-
Public safety	-	11,799	7,948	-
Road maintenance and repair	610,560	-	-	-
Community enrichment and development	-	-	-	-
Capital Outlay	694,831	-	-	-
TOTAL EXPENDITURES	1,305,391	11,799	7,948	-
REVENUES OVER (UNDER) EXPENDITURES	(854,314)	41,915	7,255	184
OTHER FINANCING SOURCES				
Transfers in	283,241	-	-	-
Transfers (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES	283,241	-	-	-
NET CHANGE IN FUND BALANCES	(571,073)	41,915	7,255	184
FUND BALANCES, BEGINNING OF YEAR	671,460	11,298	1,443	3,118
FUND BALANCES, END OF YEAR	\$ 100,387	\$ 53,213	\$ 8,698	\$ 3,302

COMMUNITY DEVELOPMENT BLOCK GRANT	PROJECT IMPACT PROGRAM	P.U.S.H. PROGRAM	CASEFLOW ASSISTANCE FUND	45-B DISTRICT COURT	TOTAL
\$ 160,313	\$ -	\$ -	\$ -	\$ -	\$ 160,313
-	-	-	-	91,448	553,585
-	28,500	-	25,368	-	53,868
-	-	-	-	206,908	206,908
-	-	-	-	-	50,542
-	2,566	52	1,724	4,230	16,071
160,313	31,066	52	27,092	302,586	1,041,287
-	-	-	-	2,124,990	2,124,990
-	-	-	-	-	19,747
-	-	-	-	-	610,560
160,313	22,887	7,500	14,178	-	204,878
-	-	-	-	-	694,831
160,313	22,887	7,500	14,178	2,124,990	3,655,006
-	8,179	(7,448)	12,914	(1,822,404)	(2,613,719)
-	28,500	-	-	1,830,129	2,141,870
-	-	-	(28,500)	-	(28,500)
-	28,500	-	(28,500)	1,830,129	2,113,370
-	36,679	(7,448)	(15,586)	7,725	(500,349)
-	-	8,384	70,218	67,508	833,429
\$ -	\$ 36,679	\$ 936	\$ 54,632	\$ 75,233	\$ 333,080

CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	2003 STREET IMPROVEMENT BOND	2003 STREET REFUNDING BOND	2006 STREET IMPROVEMENT BOND	MUNICIPAL BUILDING AUTHORITY	TOTAL
REVENUES					
Property taxes	\$ 619,006	\$ 1,643,265	\$ 493,771	\$ -	\$ 2,756,042
Interest income	28,489	52,281	13,118	441	94,329
TOTAL REVENUES	647,495	1,695,546	506,889	441	2,850,371
EXPENDITURES					
Debt service:					
Principal	150,000	1,430,000	-	-	1,580,000
Interest and charges	460,330	200,851	487,067	-	1,148,248
Prior year tax refund	-	-	226	-	226
TOTAL EXPENDITURES	610,330	1,630,851	487,293	-	2,728,474
REVENUES OVER (UNDER) EXPENDITURES	37,165	64,695	19,596	441	121,897
FUND BALANCES, BEGINNING OF YEAR	287,620	54,848	20,410	8,894	371,772
FUND BALANCES, END OF YEAR	\$ 324,785	\$ 119,543	\$ 40,006	\$ 9,335	\$ 493,669

CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	PUBLIC	CITY OWNED	SIDEWALK	MUNICIPAL	
	IMPROVEMENT	PROPERTY	PROGRAM	BUILDING	TOTAL
				CONSTRUCTION	
REVENUE					
Special assessments	\$ -	\$ -	\$ 123,463	\$ -	\$ 123,463
Fines and forfeitures	-	-	-	87,151	87,151
Interest income	2,771	-	7,301	15,868	25,940
TOTAL REVENUES	2,771	-	130,764	103,019	236,554
EXPENDITURES					
Public works	-	-	37,669	-	37,669
Community development	-	42,974	-	-	42,974
Capital outlay	-	-	108,134	-	108,134
TOTAL EXPENDITURES	-	42,974	145,803	-	188,777
REVENUES OVER (UNDER) EXPENDITURES	2,771	(42,974)	(15,039)	103,019	47,777
OTHER FINANCING SOURCES					
Transfers in	-	-	-	-	-
NET CHANGE IN FUND BALANCES	2,771	(42,974)	(15,039)	103,019	47,777
FUND BALANCES, BEGINNING OF YEAR	47,059	-	34,804	216,182	298,045
FUND BALANCES, END OF YEAR	\$ 49,830	\$ (42,974)	\$ 19,765	\$ 319,201	\$ 345,822

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - LOCAL STREET FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ 657,323	\$ 671,460	\$ 671,460	\$ -
Resources (inflows):				
State Grants - Streets	420,346	420,346	447,127	26,781
Interest Income & Other	6,000	6,000	3,950	(2,050)
Transfer-In	<u>300,000</u>	<u>300,000</u>	<u>283,241</u>	<u>(16,759)</u>
Amounts available for appropriation	<u>1,383,669</u>	<u>1,397,806</u>	<u>1,405,778</u>	<u>7,972</u>
Charges to appropriation (outflows):				
Road Maintenance & Repair	694,487	607,710	610,560	(2,850)
Capital Outlay - Roads	<u>652,235</u>	<u>690,000</u>	<u>694,831</u>	<u>(4,831)</u>
Total Charges To Appropriations	<u>1,346,722</u>	<u>1,297,710</u>	<u>1,305,391</u>	<u>(7,681)</u>
Budgetary fund balance, June 30	<u>\$ 36,947</u>	<u>\$ 100,096</u>	<u>\$ 100,387</u>	<u>\$ 291</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - NARCOTICS FORFEITURE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ 18,500	\$ 11,298	\$ 11,298	\$ -
Resources (inflows):				
Fines and Forfeitures	17,500	35,000	50,542	15,542
Interest Income & Other	1,200	1,200	3,172	1,972
Amounts available for appropriation	37,200	47,498	65,012	17,514
Charges to appropriation (outflows):				
Public Safety	32,000	12,000	11,799	201
Budgetary fund balance, June 30	\$ 5,200	\$ 35,498	\$ 53,213	\$ 17,715

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - CRIMINAL JUSTICE TRAINING FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ 7,969	\$ 1,443	\$ 1,443	\$ -
Resources (inflows):				
State Grants	15,000	15,000	15,010	10
Interest Income	200	200	193	(7)
Amounts available for appropriation	23,169	16,643	16,646	3
Charges to appropriation (outflows):				
Public Safety	15,000	15,000	7,948	7,052
 Budgetary fund balance, June 30	 \$ 8,169	 \$ 1,643	 \$ 8,698	 \$ 7,055

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - DISASTER CONTINGENCY FUND
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	
Budgetary fund balance, July 1	\$ 3,074	\$ 3,118	\$ 3,118	\$ -
Resources (inflows):				
Interest Income	60	60	184	124
Amounts available for appropriation	3,134	3,178	3,302	124
 Budgetary fund balance, June 30	 <u>\$ 3,134</u>	 <u>\$ 3,178</u>	 <u>\$ 3,302</u>	 <u>\$ 124</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Federal Grants	133,358	133,358	160,313	26,955
Charges for Services	-	-	-	-
Amounts available for appropriation	133,358	133,358	160,313	26,955
Charges to appropriation (outflows):				
Community Enrichment and Development	133,358	133,358	160,313	(26,955)
 Budgetary fund balance, June 30	 \$ -	 \$ -	 \$ -	 \$ -

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - PROJECT IMPACT PROGRAM
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Federal Grants	-	28,500	28,500	-
Interest Income & Other	-	1,721	2,566	845
Transfer In	-	28,500	28,500	-
Amounts available for appropriation	-	58,721	59,566	845
Charges to appropriation (outflows):				
Community Enrichment and Development	-	58,721	22,887	35,834
Budgetary fund balance, June 30	\$ -	\$ -	\$ 36,679	\$ 36,679

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - P.U.S.H. PROGRAM GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ -	\$ -	\$ 8,384	\$ 8,384
Resources (inflows):				
Interest Income & Other	-	-	52	52
Amounts available for appropriation	-	-	8,436	8,436
Charges to appropriation (outflows):				
Community Enrichment and Development	-	-	7,500	(7,500)
Budgetary fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 936</u>	<u>\$ 936</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - CASEFLOW ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ 68,563	\$ 70,218	\$ 70,218	\$ -
Resources (inflows):				
State Grants	18,500	18,500	25,368	6,868
Interest Income	875	875	1,724	849
Amounts available for appropriation	87,938	89,593	97,310	7,717
Charges to appropriation (outflows):				
Judicial	3,000	43,000	42,678	322
 Budgetary fund balance, June 30	 \$ 84,938	 \$ 46,593	 \$ 54,632	 \$ 8,039

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - DISTRICT COURT 45B FUND
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Budgetary fund balance, July 1	\$ 60,000	\$ 45,000	\$ 67,508	\$ 22,508
Resources (inflows):				
State Grants	\$ 91,448	\$ 91,448	\$ 91,448	\$ -
Charges for services	308,000	238,193	206,908	(31,285)
Interest and other	<u>2,000</u>	<u>4,000</u>	<u>4,230</u>	<u>230</u>
Amounts available for appropriation	461,448	378,641	370,094	(8,547)
Charges to appropriation (outflows):				
Judicial services	<u>2,123,031</u>	<u>2,055,224</u>	<u>2,124,990</u>	<u>(69,766)</u>
REVENUES UNDER EXPENDITURES	<u>(1,661,583)</u>	<u>(1,676,583)</u>	<u>(1,754,896)</u>	<u>(78,313)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>1,721,583</u>	<u>1,721,583</u>	<u>1,830,129</u>	<u>108,546</u>
Budgetary fund balance, June 30	<u>\$ 60,000</u>	<u>\$ 45,000</u>	<u>\$ 75,233</u>	<u>\$ 30,233</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - 2003 ST. IMPROVEMENT DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ 277,703	\$ 287,620	\$ 287,620	\$ -
Resources (inflows):				
Property taxes	621,975	620,000	619,006	(994)
Interest income	<u>3,105</u>	<u>8,000</u>	<u>28,489</u>	<u>20,489</u>
Amounts available for appropriation	<u>902,783</u>	<u>915,620</u>	<u>935,115</u>	<u>19,495</u>
Charges to appropriation (outflows):				
Principal	150,000	150,000	150,000	-
Interest and Other	<u>475,080</u>	<u>465,080</u>	<u>460,330</u>	<u>4,750</u>
Total Charges To Appropriations	<u>625,080</u>	<u>615,080</u>	<u>610,330</u>	<u>4,750</u>
Budgetary fund balance, June 30	<u>\$ 277,703</u>	<u>\$ 300,540</u>	<u>\$ 324,785</u>	<u>\$ 24,245</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - 2003 ST. REFUNDING DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Budgetary fund balance, July 1	\$ 52,562	\$ 54,848	\$ 54,848	\$ -
Resources (inflows):				
Property taxes	1,655,303	1,650,000	1,643,265	(6,735)
Interest income	<u>2,865</u>	<u>25,000</u>	<u>52,281</u>	<u>27,281</u>
Amounts available for appropriation	<u>1,710,730</u>	<u>1,729,848</u>	<u>1,750,394</u>	<u>20,546</u>
Charges to appropriation (outflows):				
Principal	1,430,000	1,430,000	1,430,000	-
Interest and Other	<u>228,168</u>	<u>207,168</u>	<u>200,851</u>	<u>6,317</u>
Total Charges To Appropriations	<u>1,658,168</u>	<u>1,637,168</u>	<u>1,630,851</u>	<u>6,317</u>
Budgetary fund balance, June 30	<u>\$ 52,562</u>	<u>\$ 92,680</u>	<u>\$ 119,543</u>	<u>\$ 26,863</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - 2006 ST. IMPROVEMENT DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ -	\$ 20,410	\$ 20,410	\$ -
Resources (inflows):				
Property taxes	488,800	490,000	493,771	3,771
Interest income	-	8,000	13,118	5,118
Amounts available for appropriation	<u>488,800</u>	<u>518,410</u>	<u>527,299</u>	<u>8,889</u>
Charges to appropriation (outflows):				
Principal	487,068	487,068	487,067	1
Interest and Other	<u>1,732</u>	<u>5,000</u>	<u>226</u>	<u>4,774</u>
Total Charges To Appropriations	<u>488,800</u>	<u>492,068</u>	<u>487,293</u>	<u>4,775</u>
Budgetary fund balance, June 30	<u>\$ -</u>	<u>\$ 26,342</u>	<u>\$ 40,006</u>	<u>\$ 13,664</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - PUBLIC IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Budgetary fund balance, July 1	\$ 46,296	\$ 47,059	\$ 47,059	\$ -
Resources (inflows):				
Interest income	<u>750</u>	<u>1,000</u>	<u>2,771</u>	<u>1,771</u>
Amounts available for appropriation	<u>47,046</u>	<u>48,059</u>	<u>49,830</u>	<u>1,771</u>
Budgetary fund balance, June 30	<u>\$ 47,046</u>	<u>\$ 48,059</u>	<u>\$ 49,830</u>	<u>\$ 1,771</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - CITY OWNED PROPERTY
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Sale of Property	-	85,000	-	(85,000)
Amounts available for appropriation	-	85,000	-	(85,000)
Charges to appropriation (outflows):				
Community Enrichment and Development	-	70,000	42,974	27,026
Total Charges To Appropriations	-	70,000	42,974	27,026
Budgetary fund balance, June 30	<u>\$ -</u>	<u>\$ 15,000</u>	<u>\$ (42,974)</u>	<u>\$ (57,974)</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - SIDEWALK PROGRAM
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Budgetary fund balance, July 1	\$ 39,276	\$ 34,804	\$ 34,804	\$ -
Resources (inflows):				
Charges for Services	160,000	164,688	123,463	(41,225)
Interest income	<u>2,000</u>	<u>500</u>	<u>7,301</u>	<u>6,801</u>
Amounts available for appropriation	<u>201,276</u>	<u>199,992</u>	<u>165,568</u>	<u>(34,424)</u>
Charges to appropriation (outflows):				
Public Works	10,000	45,000	37,669	7,331
Capital Projects - Sidewalks	<u>150,000</u>	<u>103,000</u>	<u>108,134</u>	<u>(5,134)</u>
Total Charges To Appropriations	<u>160,000</u>	<u>148,000</u>	<u>145,803</u>	<u>2,197</u>
Budgetary fund balance, June 30	<u><u>\$ 41,276</u></u>	<u><u>\$ 51,992</u></u>	<u><u>\$ 19,765</u></u>	<u><u>\$ (32,227)</u></u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - MUNICIPAL BUILDING CONSTRUCTION FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Budgetary fund balance, July 1	\$ 200,288	\$ 216,182	\$ 216,182	\$ -
Resources (inflows):				
Ordinance Fines	55,000	75,000	87,151	12,151
Interest income	<u>2,000</u>	<u>4,000</u>	<u>15,868</u>	<u>11,868</u>
Amounts available for appropriation	<u>257,288</u>	<u>295,182</u>	<u>319,201</u>	<u>24,019</u>
Budgetary fund balance, June 30	<u>\$ 257,288</u>	<u>\$ 295,182</u>	<u>\$ 319,201</u>	<u>\$ 24,019</u>

CITY OF OAK PARK, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES, and CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - ROAD CONSTRUCTION FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Budgetary fund balance, July 1	\$ 14,461,864	\$ 13,327,438	\$ 13,327,438	\$ -
Resources (inflows):				
Bond Proceeds	-	-	-	
Interest income	100,000	240,000	488,977	248,977
Amounts available for appropriation	14,561,864	13,567,438	13,816,415	248,977
Charges to appropriation (outflows):				
Road Maintenance & Repair	112,305	40,000	38,004	1,996
Capital Outlay - Roads	8,977,800	7,626,353	5,098,120	2,528,233
Total Charges To Appropriations	9,090,105	7,666,353	5,136,124	2,530,229
Budgetary fund balance, June 30	<u>\$ 5,471,759</u>	<u>\$ 5,901,085</u>	<u>\$ 8,680,291</u>	<u>\$ 2,779,206</u>

CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2007

		RISK	CENTRAL		RETIREES	RETIREES	
		MANAGEMENT	SERVICES	MOTOR POOL	HEALTH CARE	HEALTH CARE	TOTAL
					COURT	GENERAL	
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$	99,317	\$ 26,751	\$ 467,480	\$ 74,266	\$ 51,310	\$ 719,124
Investments		88,830	23,927	418,115	66,424	420,192	1,017,488
Receivables (net)		957	258	4,498	715	494	6,922
Prepaid expenses		83,927	-	3,160	18,913	-	106,000
Total current assets		273,031	50,936	893,253	160,318	471,996	1,849,534
Noncurrent assets:							
Capital assets:							
Depreciable buildings, property, and equipment, net		-	1,656	1,298,259	-	-	1,299,915
Total assets	\$	273,031	\$ 52,592	\$ 2,191,512	\$ 160,318	\$ 471,996	\$ 3,149,449
LIABILITIES							
Current liabilities:							
Accounts payable	\$	-	\$ 3,164	\$ 49,488	\$ 959	\$ -	\$ 53,611
Accrued and other liabilities		74,000	-	29,640	-	-	103,640
Total liabilities		74,000	3,164	79,128	959	-	157,251
NET ASSETS							
Invested in capital assets		-	1,656	1,298,259	-	-	1,299,915
Unrestricted		199,031	47,772	814,125	159,359	471,996	1,692,283
Total net assets		199,031	49,428	2,112,384	159,359	471,996	2,992,198
Total liabilities and net assets	\$	273,031	\$ 52,592	\$ 2,191,512	\$ 160,318	\$ 471,996	\$ 3,149,449

**CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2007**

	RISK MANAGEMENT	CENTRAL SERVICES	MOTOR POOL	RETIREES HEALTH CARE COURT	RETIREES HEALTH CARE GENERAL	TOTAL
Operating revenues:						
Charges for services	\$ 568,906	\$ 54,000	\$ 882,305	\$ 37,407	\$ -	\$ 1,542,618
Fines and forfeits	-	-	-	84,441	-	84,441
Miscellaneous	41,466	-	-	2,001	-	43,467
Total operating revenues	610,372	54,000	882,305	123,849	-	1,670,526
Operating expenses:						
Gas purchases	-	-	135,191	-	-	135,191
Professional services	-	11,122	9,748	-	12,420	33,290
Supplies	-	1,971	221,932	-	-	223,903
Postage	-	55,003	-	-	-	55,003
Depreciation	-	1,657	279,445	-	-	281,102
Wages and benefits	-	-	229,807	-	-	229,807
Insurance payments	656,246	-	-	162,779	-	819,025
Other	1,859	348	20	-	-	2,227
Total operating expenses	658,105	70,101	876,143	162,779	12,420	1,779,548
Operating income (loss)	(47,733)	(16,101)	6,162	(38,930)	(12,420)	(109,022)
Nonoperating revenues (expenses):						
Interest and investment revenues	6,185	2,612	46,717	8,673	5,852	70,039
Unrealized gain on investments	-	-	-	-	63,711	63,711
Gain on disposal of capital assets	-	-	25,560	-	-	25,560
Total nonoperating revenues (expenses):	6,185	2,612	72,277	8,673	69,563	159,310
Income (loss)	(41,548)	(13,489)	78,439	(30,257)	57,143	50,288
Total net assets - beginning	240,579	62,917	2,033,945	189,616	414,853	2,941,910
Total net assets - ending	\$ 199,031	\$ 49,428	\$ 2,112,384	\$ 159,359	\$ 471,996	\$ 2,992,198

**CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2007**

	RISK MANAGEMENT	CENTRAL SERVICES	MOTOR POOL	RETIREES HEALTH CARE COURT	RETIREES HEALTH CARE GENERAL	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from interfund services provided	\$ 568,906	\$ 54,000	\$ 882,305	\$ 37,407	\$ -	\$ 1,542,618
Payments to suppliers	(675,633)	(65,430)	(345,037)	(185,412)	(12,420)	(1,283,932)
Payments to employees		-	(229,807)	-	-	(229,807)
Claims paid	-	-	-	-	-	-
Other receipts (payments)	41,740	-	(754)	86,642	25	127,653
Net cash provided (used) by operating activities	(64,987)	(11,430)	306,707	(61,363)	(12,395)	156,532
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchases of capital assets	-	-	(238,513)	-	-	(238,513)
Disposal of capital assets	-	-	25,560	-	-	25,560
Net cash (used) by capital and related financing activities	-	-	(212,953)	-	-	(212,953)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investments	12,527	493	(112,288)	12,946	(3,310)	(89,632)
Interest and dividends	6,185	2,612	46,717	8,673	5,852	70,039
Net cash provided (used) by investing activities	18,712	3,105	(65,571)	21,619	2,542	(19,593)
Net increase (decrease) in cash and cash equivalents	(46,275)	(8,325)	28,183	(39,744)	(9,853)	(76,014)
Balances - beginning of year	145,592	35,076	439,297	114,010	61,163	795,138
Balances - end of year	\$ 99,317	\$ 26,751	\$ 467,480	\$ 74,266	\$ 51,310	\$ 719,124
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (47,733)	\$ (16,101)	\$ 6,162	\$ (38,930)	\$ (12,420)	\$ (109,022)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation expense	-	1,657	279,445	-	-	281,102
Change in assets and liabilities:						
Accounts and other payables	(2,228)	3,014	22,416	(5,119)	-	18,083
Accrued expenses	(15,026)	-	(1,316)	(17,314)	25	(33,631)
Net cash provided by operating activities	\$ (64,987)	\$ (11,430)	\$ 306,707	\$ (61,363)	\$ (12,395)	\$ 156,532

**CITY OF OAK PARK, MICHIGAN
STATEMENT OF CHANGES IN AGENCY FUND
ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2007**

ESCROW FUND

	BALANCE			BALANCE
	<u>June 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>JUNE 30, 2007</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 97,900	\$ 2,317,247	\$ 2,340,766	\$ 74,381
Investments at cost:				
US government obligations	45,781	20,745	-	66,526
Accounts receivable	821	13,988	13,936	873
<u>TOTAL ASSETS</u>	<u>\$ 144,502</u>	<u>\$ 2,351,980</u>	<u>\$ 2,354,702</u>	<u>\$ 141,780</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 144,502	\$ 3,288,827	\$ 3,291,549	\$ 141,780
<u>TOTAL LIABILITIES</u>	<u>\$ 144,502</u>	<u>\$ 3,288,827</u>	<u>\$ 3,291,549</u>	<u>\$ 141,780</u>

PAYROLL FUND

<u>ASSETS</u>				
Cash and cash equivalents	\$ 75,381	\$ 40,849,045	\$ 40,852,144	\$ 72,282
<u>TOTAL ASSETS</u>	<u>\$ 75,381</u>	<u>\$ 40,849,045</u>	<u>\$ 40,852,144</u>	<u>\$ 72,282</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 75,381	\$ 10,735,899	\$ 10,738,998	\$ 72,282
<u>TOTAL LIABILITIES</u>	<u>\$ 75,381</u>	<u>\$ 10,735,899</u>	<u>\$ 10,738,998</u>	<u>\$ 72,282</u>

COMBINED ESCROW AND PAYROLL FUNDS

<u>ASSETS</u>				
Cash and cash equivalents	\$ 173,281	\$ 43,166,292	\$ 43,192,910	\$ 146,663
Investments at cost:				
US government obligations	45,781	20,745	-	66,526
Accounts receivable	821	13,988	13,936	873
<u>TOTAL ASSETS</u>	<u>\$ 219,883</u>	<u>\$ 43,201,025</u>	<u>\$ 43,206,846</u>	<u>\$ 214,062</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 219,883	\$ 14,024,726	\$ 14,030,547	\$ 214,062
<u>TOTAL LIABILITIES</u>	<u>\$ 219,883</u>	<u>\$ 14,024,726</u>	<u>\$ 14,030,547</u>	<u>\$ 214,062</u>

**CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF NET ASSETS
AGENCY FUNDS
JUNE 30, 2007**

	Payroll Fund	Escrow Fund	Total Agency Funds
ASSETS			
Cash and cash equivalents	\$ 72,282	\$ 74,381	\$ 146,663
Receivables:			
Accounts receivable	-	873	873
Investments, at cost:			
U.S. government obligations	-	66,526	66,526
Total assets	<u>\$ 72,282</u>	<u>\$ 141,780</u>	<u>\$ 214,062</u>
LIABILITIES			
Accounts payable	<u>\$ 72,282</u>	<u>\$ 141,780</u>	<u>\$ 214,062</u>

**CITY OF OAK PARK, MICHIGAN
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
JUNE 30, 2007**

	<u>Economic Development Corp.</u>	<u>Brownfield Authority</u>	<u>Total Component Units</u>
ASSETS			
Cash and cash equivalents	\$ 11,772	\$ -	\$ 11,772
	-	-	-
Total assets	<u>\$ 11,772</u>	<u>\$ -</u>	<u>\$ 11,772</u>
LIABILITIES			
Accounts payable	\$ -	\$ 4,848	\$ 4,848
NET ASSETS			
Unrestricted	11,772	(4,848)	6,924
Total liabilities and net assets	<u>\$ 11,772</u>	<u>\$ -</u>	<u>\$ 11,772</u>

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2007**

General revenues:

Property taxes, levied for general purposes	\$ -	\$ 96,808	\$ 96,808
Investment earnings	30	-	30
Total General Revenues	<u>30</u>	<u>96,808</u>	<u>96,838</u>

Functions/Programs

Community Development	-	(95,873)	(95,873)
Changes in Net Assets	30	935	965
Net Asset-beginning	11,742	(5,783)	5,959
Net Asset-ending	<u>\$ 11,772</u>	<u>\$ (4,848)</u>	<u>\$ 6,924</u>

STATISTICAL SECTION

This part of the City of Oak Park's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	115
<i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed.</i>	
Revenue Capacity	120
<i>These schedules contain information to help the reader access the city's most significant local revenue source, the property tax.</i>	
Debt Capacity	124
<i>These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	129
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.</i>	
Operating Information	131
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule I
City of Oak Park
Net Assets by Component
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year							
	1999-2000 *	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Governmental Activities								
Invested in capital assets, net of related debt	\$ 7,816,900	\$ 9,103,973	\$ 11,900,617	\$ 1,165,203	\$ 3,558,851	\$ 6,932,515	\$ 5,900,897	\$ 6,375,013
Restricted	1,389,922	1,072,594	922,960	11,399,846	9,133,267	6,493,091	7,544,580	9,519,782
Unrestricted	4,913,108	4,596,973	3,228,633	4,291,274	4,746,858	5,446,259	5,129,771	3,724,361
Total governmental activities net assets	<u>\$ 14,119,930</u>	<u>\$ 14,773,540</u>	<u>\$ 16,052,210</u>	<u>\$ 16,856,323</u>	<u>\$ 17,438,976</u>	<u>\$ 18,871,865</u>	<u>\$ 18,575,248</u>	<u>\$ 19,619,156</u>
Business-type Activities								
Invested in capital assets, net of related debt	\$ 3,488,132	\$ 4,026,786	\$ 5,143,267	\$ 4,102,500	\$ 4,923,978	\$ 7,042,392	\$ 9,338,966	\$ 11,041,086
Unrestricted	4,066,911	3,545,828	2,619,440	4,606,284	4,269,224	3,381,129	3,752,044	3,467,097
Total business-type activities net assets	<u>\$ 7,555,043</u>	<u>\$ 7,572,614</u>	<u>\$ 7,762,707</u>	<u>\$ 8,708,784</u>	<u>\$ 9,193,202</u>	<u>\$ 10,423,521</u>	<u>\$ 13,091,010</u>	<u>\$ 14,508,183</u>
Primary Government								
Invested in capital assets, net of related debt	\$ 11,305,032	\$ 13,130,759	\$ 17,043,884	\$ 5,267,703	\$ 8,482,829	\$ 13,974,907	\$ 15,239,863	\$ 17,416,099
Restricted	1,389,922	1,072,594	922,960	11,399,846	9,133,267	6,493,091	7,544,580	9,519,782
Unrestricted	8,980,019	8,142,801	5,848,073	8,897,558	9,016,082	8,827,388	8,881,815	7,191,458
Total primary government net assets	<u>\$ 21,674,973</u>	<u>\$ 22,346,154</u>	<u>\$ 23,814,917</u>	<u>\$ 25,565,107</u>	<u>\$ 26,632,178</u>	<u>\$ 29,295,386</u>	<u>\$ 31,666,258</u>	<u>\$ 34,127,339</u>

* Amounts for Fiscal Year 1999-2000 are taken from pro-forma financial statements prepared in order to adopt GASB statement 34 in FY 2000-2001 and are not audited.

Schedule 2
City of Oak Park
Changes in Net Assets
Last Eight Fiscal Years

(accrual basis of accounting)

Fiscal Year

Expenses																
Governmental Activities:																
General government	\$	4,562,045	\$	5,138,083	\$	4,921,970	\$	4,768,500	\$	4,777,118	\$	4,693,567	\$	5,154,667	\$	5,067,647
Judicial		1,860,688		1,925,906		2,094,887		2,064,387		1,985,825		2,049,750		2,270,554		2,268,921
Public safety		7,870,495		7,958,724		7,662,037		7,702,056		8,103,198		9,847,977		10,720,861		11,089,786
Road maintenance and repair		1,792,655		2,455,741		2,235,932		2,771,996		2,202,260		2,286,830		3,318,828		2,708,853
Public works		1,099,824		1,260,326		1,570,850		1,317,853		1,391,348		1,309,277		1,365,837		1,096,676
Health and sanitation		1,511,861		1,544,534		1,629,189		1,729,437		1,901,589		2,015,234		2,124,102		2,186,048
Culture and recreation		1,204,943		1,354,007		1,632,659		1,373,338		1,336,795		1,270,849		1,356,385		1,268,706
Library		798,004		812,544		812,756		763,799		845,802		837,813		885,081		836,669
Community development		463,217		578,039		332,721		563,495		386,063		288,244		260,461		299,539
Interest on long-term debt		1,038,962		948,582		857,960		1,034,325		893,426		752,489		707,092		1,148,474
Total governmental activities expenses		22,202,694		23,976,486		23,750,961		24,089,186		23,823,424		25,352,030		28,163,868		27,971,319
Business-type Activities:																
Water and sewer		5,163,075		5,414,326		6,019,494		7,355,360		7,489,197		7,083,210		8,039,854		7,835,161
Total primary government	\$	27,365,769	\$	29,390,812	\$	29,770,455	\$	31,444,546	\$	31,312,621	\$	32,435,240	\$	36,203,722	\$	35,806,480

Program Revenues

Governmental Activities:

Charges for Services:

General government	\$	649,612	\$	497,981	\$	522,098	\$	488,184	\$	527,537	\$	926,595	\$	891,142	\$	599,632
Judicial		742,638		715,630		957,082		758,468		582,471		587,217		656,836		656,578
Public safety		1,591,996		1,530,103		1,683,117		1,428,287		1,232,209		1,442,360		1,832,233		1,856,111
Road maintenance and repair		3,426		4,733		903		135,271		1,850		(11,584)		(12,982)		21,919
Public works		37,793		14,294		24,819		161,951		119,523		289,466		131,299		214,874
Health and sanitation		533,586		510,845		526,673		574,180		540,740		454,678		500,888		577,620
Culture and recreation		434,686		492,697		500,511		463,926		452,690		473,684		431,907		469,373
Library		43,619		61,672		60,558		74,983		70,360		69,421		26,410		21,521
Community development		35,369		24,277		2,356		116,868		52,907		7,510		(5,165)		(2,335)
Operating Grants and Contributions		2,070,391		2,247,783		1,858,664		1,973,731		2,134,836		2,009,995		2,086,065		2,080,915
Capital Grants and Contributions		399,138		919,659		51,940		30,100		-		-		-		-

Total governmental activities program revenues	6,542,254	7,019,674	6,188,721	6,205,949	5,715,123	6,249,342	6,538,633	6,496,208
Business-type Activities:								
Charges for Services:								
Water and sewer	5,388,672	5,218,460	6,104,667	8,112,778	7,881,527	8,213,692	10,547,749	9,034,465
Capital Grants and Contributions	-	6,763	-	-	-	-	-	-
Total primary government program revenues	\$ 11,930,926	\$ 12,244,897	\$ 12,293,388	\$ 14,318,727	\$ 13,596,650	\$ 14,463,034	\$ 17,086,382	\$ 15,530,673
Net (expense)/revenue								
Governmental Activities	\$ (15,660,440)	\$ (16,956,812)	\$ (17,562,240)	\$ (17,883,237)	\$ (18,108,301)	\$ (19,102,688)	\$ (21,625,235)	\$ (21,475,111)
Business-type Activities	225,597	(189,103)	85,173	757,418	392,330	1,130,482	2,507,895	1,199,304
Total primary government net expense	\$ (15,434,843)	\$ (17,145,915)	\$ (17,477,067)	\$ (17,125,819)	\$ (17,715,971)	\$ (17,972,206)	\$ (19,117,340)	\$ (20,275,807)
General Revenues and Other Changes in Net Assets								
Governmental Activities:								
Taxes								
Property Taxes	\$ 17,838,719	\$ 18,102,504	\$ 18,199,216	\$ 18,128,805	\$ 18,088,249	\$ 19,774,491	\$ 20,294,741	\$ 20,977,326
Franchise Taxes	393,810	431,991	455,141	336,312	424,167	453,310	460,244	518,234
Investment Earnings	512,435	715,984	236,553	272,233	228,538	357,776	623,633	1,073,459
Miscellaneous	17,811	-	-	-	-	-	-	-
Transfers	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total governmental activities	18,712,775	19,200,479	18,840,910	18,687,350	18,690,954	20,535,577	21,328,618	22,519,019
Business-type Activities:								
Investment Earnings	126,005	156,674	54,920	138,659	42,498	49,837	109,594	167,869
Transfers	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total business-type activities	176,005	206,674	104,920	188,659	92,498	99,837	159,594	217,869
Total primary government	\$ 18,888,780	\$ 19,407,153	\$ 18,945,830	\$ 18,876,009	\$ 18,783,452	\$ 20,635,414	\$ 21,488,212	\$ 22,736,888
Change In Net Assets								
Governmental Activities	\$ 3,052,335	\$ 2,243,667	\$ 1,278,670	\$ 804,113	\$ 582,653	\$ 1,432,889	\$ (296,617)	\$ 1,043,908
Business-type Activities	401,602	17,571	190,093	946,077	484,828	1,230,319	2,667,489	1,417,173
Total primary government net expense	\$ 3,453,937	\$ 2,261,238	\$ 1,468,763	\$ 1,750,190	\$ 1,067,481	\$ 2,663,208	\$ 2,370,872	\$ 2,461,081

* Amounts for Fiscal Year 1999-2000 are taken from pro-forma financial statements prepared in order to adopt GASB statement 34 in FY 2000-2001 and are not audited.

Schedule 3
City of Oak Park
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>1997-1998</u>	<u>1998-1999</u>	<u>1999-2000</u>	<u>2000-2001</u>	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>
General Fund										
Reserved	\$ 152,752	\$ 154,169	\$ 186,065	\$ 195,345	\$ 206,233	\$ 233,265	\$ 248,672	\$ 231,003	\$ 141,640	\$ 302,693
Unreserved	2,113,193	2,086,276	2,394,939	2,376,922	2,201,738	2,163,490	2,044,775	2,122,398	1,869,129	1,735,777
Total general fund	\$ 2,265,945	\$ 2,240,445	\$ 2,581,004	\$ 2,572,267	\$ 2,407,971	\$ 2,396,755	\$ 2,293,447	\$ 2,353,401	\$ 2,010,769	\$ 2,038,470
All Other Governmental Funds										
Reserved, reported in:										
Prepaid Expenditures	\$ 3,405	\$ 20,384	\$ 22,027	\$ 20,973	\$ 25,091	\$ 32,992	\$ 35,515	\$ 34,938	\$ 35,434	\$ 64,165
Capital projects funds	1,036,920	544,587	653,648	139,815	49,989	11,124,925	8,849,248	6,157,005	13,624,394	9,006,861
Debt service funds	614,517	676,487	736,274	932,779	872,971	274,921	282,328	334,783	371,772	493,669
Unreserved, reported in:										
Special revenue funds	2,064,105	2,726,716	2,539,167	2,213,520	881,058	1,296,052	1,975,681	2,455,887	2,741,468	1,258,317
Total all other governmental funds	3,718,947	3,968,174	3,951,116	3,307,087	1,829,109	12,728,890	11,142,772	8,982,613	16,773,068	10,823,012
Total all governmental funds	\$ 5,984,892	\$ 6,208,619	\$ 6,532,120	\$ 5,879,354	\$ 4,237,080	\$ 15,125,645	\$ 13,436,219	\$ 11,336,014	\$ 18,783,837	\$ 12,861,482

Schedule 4
City of Oak Park
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>1997-1998</u>	<u>1998-1999</u>	<u>1999-2000</u>	<u>2000-2001</u>	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>
Revenues										
Property taxes	\$12,270,825	\$12,552,798	\$12,774,154	\$13,103,087	\$13,402,139	\$13,581,507	\$14,003,176	\$15,772,412	\$15,943,238	\$16,908,767
Special assessments	481,497	31,480	364,078	434,092	20,238	255,553	33,034	192,924	47,144	138,808
Licenses and permits	313,737	441,340	404,363	376,984	323,316	289,526	342,338	394,236	416,152	397,567
Intergovernmental	6,451,194	6,467,323	6,972,817	7,657,650	6,680,862	6,505,693	6,186,128	5,919,137	5,943,230	5,923,017
Charges for services	1,330,682	1,252,900	1,313,663	1,303,315	1,445,393	1,410,403	1,248,566	1,182,732	1,207,837	1,274,814
Fines and forfeitures	1,871,365	1,801,026	1,855,030	1,798,745	1,979,089	1,717,428	1,477,959	1,563,614	2,008,853	2,212,430
Investment earnings	573,148	608,664	602,902	796,698	372,423	303,428	197,155	364,088	637,781	1,038,284
Other	557,133	562,323	674,716	644,282	726,060	630,064	930,710	1,360,528	1,378,951	941,289
Total revenues	<u>23,849,581</u>	<u>23,717,854</u>	<u>24,961,723</u>	<u>26,114,853</u>	<u>24,949,520</u>	<u>24,693,602</u>	<u>24,419,066</u>	<u>26,749,671</u>	<u>27,583,186</u>	<u>28,834,976</u>
Expenditures										
Judicial	1,625,312	1,654,765	1,807,921	1,827,591	2,035,751	1,990,428	1,827,938	1,825,187	2,034,224	2,124,990
General government	3,752,246	3,952,318	4,052,020	4,523,698	4,198,722	4,110,182	4,088,575	3,909,447	4,380,187	4,346,347
Public safety	7,935,881	7,485,622	7,595,002	7,348,466	7,240,699	7,255,487	7,420,205	9,136,958	10,051,563	10,432,718
Road maintenance and repair	1,215,228	1,583,170	1,769,127	1,254,798	1,015,522	1,362,110	905,029	982,314	1,821,591	1,163,340
Public works	2,235,879	2,376,901	2,485,987	2,592,656	2,886,642	2,758,699	2,897,643	3,010,974	3,126,486	2,960,609
Recreation and culture	1,127,110	1,131,518	1,153,574	1,240,268	1,388,372	1,257,417	1,199,297	1,129,270	1,210,523	1,155,419
Library	749,836	711,269	765,538	757,635	767,582	688,841	765,011	754,336	792,078	775,018
Community enrichment and development	253,462	306,293	419,736	520,634	277,227	491,329	312,309	211,270	187,818	247,852
Non-departmental	951,841	1,119,975	1,340,021	1,542,989	1,691,998	1,737,075	1,776,992	2,151,016	2,020,698	1,649,454
Capital outlay	484,798	578,578	523,283	2,526,916	2,428,171	725,395	2,372,728	3,091,615	3,072,493	7,123,336
Debt Service:										
Principal	1,402,794	1,517,630	1,637,065	1,633,385	1,753,147	1,890,000	1,600,000	1,845,000	1,875,000	1,580,000
Interest	1,205,072	1,123,707	1,038,962	948,582	857,960	1,034,325	892,765	752,489	707,092	1,148,248
Total expenditures	<u>22,939,459</u>	<u>23,541,746</u>	<u>24,588,236</u>	<u>26,717,618</u>	<u>26,541,793</u>	<u>25,301,288</u>	<u>26,058,492</u>	<u>28,799,876</u>	<u>31,279,753</u>	<u>34,707,331</u>
Excess of revenues over (under) expenditures	<u>910,122</u>	<u>176,108</u>	<u>373,487</u>	<u>(602,765)</u>	<u>(1,592,273)</u>	<u>(607,686)</u>	<u>(1,639,426)</u>	<u>(2,050,205)</u>	<u>(3,696,567)</u>	<u>(5,872,355)</u>
Other Financing Sources (Uses)										
Proceeds from sale of bonds	-	-	-	-	-	11,500,000	-	-	10,890,965	-
Refunding bonds issued	-	-	-	-	-	11,875,000	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	(11,828,750)	-	-	-	-
Proceeds from capital lease	-	97,895	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	303,425	-
Transfers in	2,074,654	2,620,298	2,110,567	2,191,650	1,963,113	2,541,886	2,153,141	2,036,085	2,267,989	2,401,870
Transfer out	(2,249,654)	(2,670,298)	(2,160,567)	(2,241,650)	(2,013,113)	(2,591,886)	(2,203,141)	(2,086,085)	(2,317,989)	(2,451,870)
Total other financing sources (uses)	<u>(175,000)</u>	<u>47,895</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>11,496,250</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>11,144,390</u>	<u>(50,000)</u>
Net change in fund balances	<u>\$ 735,122</u>	<u>\$ 224,003</u>	<u>\$ 323,487</u>	<u>\$ (652,765)</u>	<u>\$ (1,642,273)</u>	<u>\$10,888,564</u>	<u>\$ (1,689,426)</u>	<u>\$ (2,100,205)</u>	<u>\$ 7,447,823</u>	<u>\$ (5,922,355)</u>
Debt service as a percentage of noncapital expenditures	11.61%	11.50%	11.12%	10.67%	10.83%	11.90%	10.52%	10.10%	9.15%	9.89%

Schedule 5
City of Oak Park
Taxable Value and Actual Value of Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Real Property			Personal Property	Total Taxable Value	Total Direct Tax Rate	Estimated Actual Value	Taxable Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Industrial Property					
1998	\$296,170,850	\$60,404,500	\$41,264,410	\$44,826,100	\$442,665,860	26.7959	\$ 969,599,260	45.65%
1999	308,859,400	62,347,890	41,902,950	46,516,550	459,626,790	26.4886	1,070,438,600	42.94%
2000	323,219,100	63,037,130	43,390,280	48,363,200	478,009,710	26.0212	1,173,718,360	40.73%
2001	341,642,800	64,496,240	46,324,600	52,940,090	505,403,730	25.1873	1,305,707,020	38.71%
2002	365,121,240	66,470,730	48,298,930	52,245,480	532,136,380	24.6245	1,424,698,940	37.35%
2003	388,554,740	69,031,130	50,180,580	51,711,060	559,477,510	23.6344	1,521,228,600	36.78%
2004	408,102,490	73,135,960	51,075,440	46,983,030	579,296,920	23.5377	1,612,219,660	35.93%
2005	431,289,070	90,517,620	52,614,020	49,005,590	623,426,300	24.1194	1,745,673,380	35.71%
2006	454,457,020	106,703,397	57,524,360	46,571,380	665,256,157	23.7201	1,835,567,900	36.24%
2007	480,667,540	105,533,730	59,565,190	44,318,580	690,085,040	23.8150	1,862,110,440	37.06%

Source: City of Oak Park Assessing Department.

Note: Tax rates are per \$1,000 of taxable value.

Schedule 6
City of Oak Park
Direct And Overlapping Property Tax Rates
(Per \$1,000 of Taxable Value)
Last Ten Fiscal Years

Fiscal Year	Operating Millage	Library	Debt Service	Drains-at Large	Solid Waste	Total Direct	School Districts			Community College	Total Rates for Residents Residing In		
							Oak Park	Femdale	Berkley		Oak Park School District	Femdale School District	Berkley School District
1997: Homestead (1)	18.4780	0.0000	5.3340	0.2320	2.7519	26.7959	14.6071	13.2876	10.6485	1.6604	50.3770	49.0575	46.4184
1997: Non-Homestead						26.7959	32.8780	31.5585	28.9194	1.6604	68.6479	67.3284	64.6893
1998: Homestead (1)	18.2475	0.0000	5.3010	0.2086	2.7315	26.4886	14.5529	13.2197	10.5937	1.6500	49.8095	48.4763	45.8503
1998: Non-Homestead						26.4886	32.7329	31.3997	28.7737	1.6500	67.9895	66.6563	64.0303
1999: Homestead (1)	17.9866	0.0000	5.1605	0.1812	2.6929	26.0212	14.5410	13.2189	10.0576	1.6300	49.2714	47.9493	44.7880
1999: Non-Homestead						26.0212	32.7100	31.3989	28.2376	1.6300	67.4404	66.1293	62.9680
2000: Homestead (1)	17.6590	0.0000	4.8795	0.0000	2.6488	25.1873	14.5085	13.2165	10.0552	1.6109	48.3533	47.0613	43.9000
2000: Non-Homestead						25.1873	32.6666	31.3965	28.2352	1.6109	66.5114	65.2413	62.0800
2001: Homestead (1)	17.3727	0.0000	4.6460	0.0000	2.6058	24.6245	14.4444	13.2300	10.5737	1.5952	49.0812	47.8668	45.2105
2001: Non-Homestead						24.6245	32.5126	31.4100	28.7537	1.5952	67.1494	66.0468	63.3905
2002: Homestead (1)	17.0843	0.0000	3.9876	0.0000	2.5625	23.6344	14.4173	13.2328	10.5765	1.6090	48.3354	47.1509	44.4946
2002: Non-Homestead						23.6344	32.5754	31.4128	28.7565	1.6090	66.4935	65.3309	62.6746
2003: Homestead (1)	16.7443	0.0000	4.2819	0.0000	2.5115	23.5377	12.5350	12.2223	9.5660	1.5983	46.3172	46.0045	43.3482
2003: Non-Homestead						23.5377	30.6184	30.4023	27.7460	1.5983	64.4006	64.1845	61.5282
2004: Homestead (1)	16.4981	1.0000	4.1468	0.0000	2.4745	24.1194	13.4729	13.4732	11.5744	1.5889	47.8039	47.8042	45.9054
2004: Non-Homestead						24.1194	31.6529	31.6532	29.7544	1.5889	65.9839	65.9842	64.0854
2005: Homestead (1)	16.3777	0.9927	3.8933	0.0000	2.4564	23.7201	13.4688	13.4691	10.9509	1.5844	47.3834	47.3837	44.8655
2005: Non-Homestead						23.7201	31.6488	31.6491	29.1309	1.5844	65.5634	65.5637	63.0455
2006: Homestead (1)	16.3613	0.9917	4.0081	0.0000	2.4539	23.8150	13.3585	13.4699	10.9416	1.5844	47.3630	47.4744	44.9461
2006: Non-Homestead						23.8150	31.5385	31.6499	29.1216	1.5844	65.5430	65.6544	63.1261

Schedule 7
City of Oak Park
Principal Property Tax Payers
Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2007</u>			<u>1996</u>		
		<u>Taxable</u> <u>Valuation</u>	<u>Rank</u>	<u>Percentage of</u> <u>Total Taxable</u> <u>Valuation</u>	<u>Taxable</u> <u>Valuation</u>	<u>Rank</u>	<u>Percentage of</u> <u>Total Taxable</u> <u>Valuation</u>
Detroit Square Properties, LLC	Apartment Complex	\$ 10,166,400	1	1.40%			
Jewish Federation Apts.	Apartment Complex	8,335,650	2	1.15%	8,335,300	1	1.87%
Lincoln Towers Apts, LLP	Apartment Complex	6,897,170	3	0.95%			
Parkwoods Shopping Plaza, LLC	Shopping Center	6,212,600	4	0.86%	3,615,300	8	0.86%
Village Green Management Co.	Apartment Complex	6,066,120	5	0.84%	4,177,800	4	0.94%
Sub-total		<u>37,677,940</u>		<u>5.20%</u>	<u>16,128,400</u>		<u>3.67%</u>
Greenfield Lincoln Investments #2, LLC	Commercial Lease	5,685,000	6	0.78%			
GTN, Inc.	Studio	5,530,820	7	0.76%	4,506,650	3	1.01%
Detroit Edison Co.	Utility	4,942,510	8	0.68%	4,067,900	6	0.91%
Oak Park Manor MI, LLC	Apartment Complex	4,632,560	9	0.64%	4,523,000	2	1.01%
Oakmont Properties	Industrial Lease	4,177,050	10	0.58%	2,855,210	10	0.64%
Sub-total		<u>24,967,940</u>		<u>3.44%</u>	<u>15,952,760</u>		<u>3.57%</u>
Symtec Mfg. Technologies/Paramount Boring	Manufacturing	4,101,530	11	0.57%	1,706,200	14	0.38%
Valenite, Inc.	Manufacturing	3,427,090	12	0.47%	3,117,100	9	0.70%
Lincoln Center	Shopping Center	3,281,500	13	0.45%	4,125,310	5	0.93%
CBS, Inc.	Television Network	3,228,790	14	0.45%			
Oak Park Partners, LLC	Apartment Complex	2,957,200	15	0.41%			
Sub-total		<u>16,996,110</u>		<u>2.35%</u>	<u>8,948,610</u>		<u>2.01%</u>
C & N Building, LLC	Shopping Center	2,819,900	16	0.39%	1,652,830	16	0.37%
Public Storage / PS Euro Part X III Ltd.	Storage	2,593,410	17	0.36%			
Kmart Corporation	Discount Store	2,496,240	18	0.34%	3,996,320	7	0.90%
Eaton Steel / Goodman Bldg Co.	Steel Warehouse	2,456,300	19	0.34%			
Raine Ventures, LLC	Manufacturing	2,127,280	20	0.29%			
Consumers Energy Co.	Utility				2,202,550	11	0.49%
Bar Processing Corp. of Michigan	Manufacturer				1,876,200	12	0.42%
Lincoln Briar Apartments	Apartment Complex				1,794,800	13	0.40%
Stratford Associates	Apartment Complex				1,659,300	15	0.37%
Greenfield Associates	Office Complex				1,553,000	17	0.35%
General Die Cast	Manufacturer				1,538,700	18	0.35%
DBA Jorgenson Alloy Steel	Steel Warehouse				1,514,500	19	0.34%
P & P Real estate Investment	Shopping Center				1,343,200	20	0.30%
Sub-total		<u>12,493,130</u>		<u>1.72%</u>	<u>19,131,400</u>		<u>4.29%</u>
GrandTotal		<u>\$92,135,120</u>		<u>12.71%</u>	<u>\$60,161,170</u>		<u>13.54%</u>

Schedule 8
City of Oak Park
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ending <u>June 30</u>	Taxes Levied for the <u>Fiscal Year</u>	Collected within the <u>Fiscal Year of the Levy</u>		Collections in Subsequent <u>Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
1998	\$12,278,929	\$12,175,162	99.15%	\$ 121,174	\$12,296,336	100.14%
1999	12,753,551	12,622,098	98.97%	112,450	12,734,548	99.85%
2000	12,941,243	12,822,558	99.08%	82,214	12,904,772	99.72%
2001	13,178,024	13,033,664	98.90%	125,042	13,158,706	99.85%
2002	13,575,518	13,385,035	98.60%	95,246	13,480,281	99.30%
2003	13,562,840	13,353,379	98.46%	110,803	13,464,182	99.27%
2004	14,081,644	13,894,283	98.67%	93,827	13,988,110	99.34%
2005	15,670,688	15,439,161	98.52%	141,982	15,581,143	99.43%
2006	16,627,835	15,269,916	91.83%	142,811	15,412,727	92.69%
2007	17,357,852	15,654,630	90.19%	129,735	15,784,365	90.94%

Schedule 9
City of Oak Park
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ending <u>June 30</u>	Governmental Activities		Business-Type Activities		Total Primary <u>Government</u>	Percentage of Personal <u>Income</u>	Per <u>Capita</u>
	General Obligation <u>Bonds</u>	Capital Lease	Water Revenue <u>Bonds</u>				
1998	\$ 19,954,998	\$ 259,961	\$ 4,007,146		24,222,105	0.2010%	\$ 802
1999	18,590,000	204,446	3,861,051		22,655,497	0.2149%	760
2000	17,095,000	57,053	3,714,867		20,866,920	0.2334%	700
2001	15,495,000	23,668	6,747,400		22,266,068	0.2187%	747
2002	13,765,000	0	19,058,594		32,823,594	0.1484%	1,102
2003	23,375,000	0	13,074,510		36,449,510	0.1336%	1,181
2004	21,775,000	0	16,475,815		38,250,815	0.1273%	1,181
2005	19,930,000	0	17,326,313		37,256,313	0.1307%	1,150
2006	29,055,000	0	16,921,387		45,976,387	0.1059%	1,419
2007	27,475,000	0	16,091,554		43,566,554	0.1118%	1,345

Schedule 10
City of Oak Park
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ending <u>June 30</u>	General Obligation <u>Bonds</u>	Less: Amounts Available in Debt <u>Service Funds</u>	<u>Total</u>	Percentage of Estimated Actual Taxable Value of <u>Property</u>	Per <u>Capita</u>
1998	\$19,954,998	\$ 614,517	\$ 19,340,481	4.37%	\$ 643.31
1999	18,590,000	676,487	17,913,513	3.90%	594.66
2000	17,095,000	736,274	16,358,726	3.42%	536.91
2001	15,495,000	932,779	14,562,221	2.88%	488.78
2002	13,765,000	873,971	12,891,029	2.42%	432.69
2003	23,375,000	274,921	23,100,079	4.13%	775.35
2004	21,775,000	282,328	21,492,672	3.71%	696.34
2005	19,930,000	334,783	19,595,217	3.14%	604.81
2006	29,055,000	371,772	28,683,228	4.31%	885.31
2007	27,475,000	493,669	26,981,331	3.91%	832.78

Schedule 11
City of Oak Park
Direct and Overlapping Governmental Activities Debt
As of June 30, 2007

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Debt Applicable To City *</u>	<u>Estimated Share Of Overlapping Debt</u>
City of Oak Park	\$27,475,000	100.00%	\$27,475,000
Berkley School District	32,650,000	14.88%	4,858,320
Ferndale School District	48,735,439	15.76%	7,680,705
Oak Park School District	4,045,000	73.59%	2,976,716
Oakland County at Large	106,286,871	1.11%	1,179,784
Oakland Intermediate School District	55,185,000	1.11%	612,554
Oakland Community College	<u>8,995,000</u>	<u>1.12%</u>	<u>100,744</u>
	<u>\$283,372,310</u>		<u>\$44,883,823</u>

** Amounts supplied by Municipal Advisory Council of Michigan.*

Schedule 12
City of Oak Park
Legal Debt Margin Information
Last Ten Fiscal Years

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt limit	\$53,521,930	\$58,685,918	\$65,285,351	\$71,474,838	\$76,062,450	\$80,611,283	\$87,283,669	\$91,778,395	\$93,105,522	\$95,225,228
Total net debt applicable to limit	<u>19,600,442</u>	<u>18,117,959</u>	<u>16,358,726</u>	<u>14,562,221</u>	<u>12,891,029</u>	<u>23,100,079</u>	<u>21,492,672</u>	<u>19,595,217</u>	<u>28,683,228</u>	<u>26,981,331</u>
Legal debt margin	<u>\$33,921,488</u>	<u>\$40,567,959</u>	<u>\$48,926,625</u>	<u>\$56,912,617</u>	<u>\$63,171,421</u>	<u>\$57,511,204</u>	<u>\$65,790,997</u>	<u>\$72,183,178</u>	<u>\$64,422,294</u>	<u>\$ 68,243,897</u>
Total net debt applicable to the limit										
as a percentage of debt limit	36.62%	30.87%	25.06%	20.37%	16.95%	28.66%	24.62%	21.35%	30.81%	28.33%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed Value	<u>\$952,252,280</u>
Legal Debt Limit (10% of Assessed Value)	\$95,225,228
Gross Indebtedness	\$27,475,000
Less: Amount Available In Debt Service Fund	<u>493,669</u>
Net Bonded Debt	<u>26,981,331</u>
Legal Debt Margin	<u>\$68,243,897</u>
Net Bonded Debt as a Percentage of Assessed Value	2.83%

Schedule 13
City of Oak Park
Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year Ending June 30	Gross Revenue	Expenses, Net of Depreciation and Interest	Net Revenue Available for Debt Service	Total Debt Service Requirements			Debt Service Coverage
				Principal	Interest	Total	
1998	\$5,058,103	\$ 4,084,763	838,340	\$ 125,000	\$ 317,770	\$ 442,770	1.89
1999	5,535,565	4,442,613	1,092,952	150,000	307,183	457,183	2.39
2000	5,388,672	4,659,722	728,950	150,000	298,888	448,888	1.62
2001	5,431,897	4,863,072	568,825	175,000	314,098	489,098	1.16
2002	6,209,587	5,372,679	836,908	200,000	391,560	591,560	1.41
2003	8,301,437	6,574,923	1,726,514	314,480	500,068	814,548	2.12
2004	7,974,025	6,641,542	1,332,483	469,897	581,348	1,051,245	1.27
2005	8,213,692	6,215,874	1,997,818	863,589	633,479	1,497,068	1.33
2006	10,547,749	7,255,581	3,292,168	940,749	528,762	1,469,511	2.24
2007	9,034,465	7,072,472	1,961,993	973,374	494,477	1,467,851	1.34

Schedule 14
City of Oak Park
Demographic and Economic Statistics
Last Calendar Fiscal Years

<u>Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Unemployment Rate</u>
1998	30,193	\$ 48,697	\$ 21,677	33.0	3.0%
1999	29,793	48,697	21,677	34.6	2.6%
2000	29,793	48,697	21,677	34.6	4.6%
2001	29,793	48,697	21,677	34.6	5.5%
2002	29,793	48,697	21,677	34.6	6.1%
2003	30,865	48,697	21,677	34.6	5.6%
2004	32,399	48,697	21,677	34.6	7.7%
2005	32,399	48,697	21,677	34.6	7.0%
2006	32,399	48,697	21,677	34.6	7.0%
2007	32,399	48,697	21,677	34.6	7.9%

Schedule 15
City of Oak Park
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2007</u>			<u>1998</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Oak Park School District	485	1	2.81%	450	1	2.94%
City of Oak Park	233	2	1.35%	265	2	1.73%
Jewish Federation Apts.	130	3	0.75%	121	3	0.79%
Thyssen Metal	105	4	0.61%	0		0.00%
Lincoln Towers Apts, LLP	99	5	0.57%	111	4	0.73%
Sub-total	<u>1,052</u>		<u>6.09%</u>	<u>947</u>		<u>6.19%</u>
Detroit Edison Co.	98	6	0.57%	110	5	0.72%
Crown Pointe Office	98	7	0.57%	-		0.00%
Huntington Gardens Village Green Management	97	8	0.56%	109	6	0.99%
GTN Industries, Inc.	96	9	0.56%	100	7	0.83%
CBS, Inc.	95	10	0.55%	-		0.00%
Sub-total	<u>484</u>		<u>2.81%</u>	<u>319</u>		<u>2.54%</u>
Greenfield Associates				94	8	0.61%
Thyssen Metal				93	9	0.61%
Startford Associates				92	10	0.60%
DBA Jorgenson Alloy Steel				91	16	0.59%
Koepplingers				90	17	0.59%
Tishken Products				89	18	0.58%
Hartman Tyner				88	19	0.58%
General Die Cast				87	20	0.57%
Sub-total	<u>0</u>		<u>0.00%</u>	<u>724</u>		<u>4.73%</u>
GrandTotal	<u>1,536</u>		<u>8.90%</u>	<u>1,990</u>		<u>13.46%</u>

Schedule 16
City of Oak Park
Full-time Equivalent City Government Employees by Department/Union Group

Last Ten Fiscal Years

<u>Department/Union</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Full Time</u>										
<u>General Government</u>										
Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Manager	5.00	5.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00
Information Technology	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
City Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prosecuting Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Elections	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City Clerk	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Finance & Administrative Services	18.00	18.00	18.00	18.00	18.00	18.00	17.00	16.00	17.00	16.00
Technical & Planning Services	18.00	18.00	18.00	17.00	17.00	17.00	16.00	16.00	17.00	17.00
Public Information	2.00	2.00	2.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Subtotal General Government	53.00	54.00	54.00	55.00	55.00	54.00	51.00	50.00	52.00	51.00
Public Safety	82.00	82.00	83.00	84.00	85.00	83.00	78.00	78.00	79.00	79.00
Public Works	30.00	30.00	30.00	30.00	30.00	30.00	28.00	28.00	27.00	27.00
Recreation	9.50	9.50	9.50	11.00	12.00	12.00	11.00	9.00	8.00	8.00
Library	8.50	8.50	8.50	8.00	8.00	8.00	8.00	8.00	8.00	6.00
Community Services	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00	0.00	0.00
District Court 45-B / Probation	26.00	27.00	27.00	27.00	27.00	26.00	26.00	26.00	26.00	28.00
Sub-Total Full Time	211.00	213.00	214.00	217.00	219.00	215.00	202.00	199.00	200.00	199.00
<u>PART TIME</u>										
Council	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City Manager	0.30	0.30	0.30	0.30	0.30	0.00	0.00	0.00	0.00	0.00
Information Technology	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City Attorney	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Prosecuting Attorney	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Elections	0.94	0.94	0.94	0.94	0.94	0.00	0.00	0.00	0.00	0.00
City Clerk	0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Finance & Administrative Services	1.30	1.30	0.50	0.50	0.50	0.00	0.00	0.00	0.00	0.00
Technical & Planning Services	0.50	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50
Public Information	1.38	1.38	1.38	0.38	0.38	0.00	0.00	0.00	0.00	0.00
Subtotal General Government	6.22	5.42	5.62	5.12	5.12	3.00	2.00	1.50	1.50	1.50
Public Safety	9.70	8.55	7.05	6.00	5.25	5.25	5.25	5.25	5.25	5.25
Public Works	6.03	6.03	6.03	6.03	6.03	6.03	2.42	2.42	2.42	2.42
Recreation	26.00	26.00	26.00	22.10	22.10	22.10	21.30	21.30	20.40	20.40
Library	6.05	6.05	6.05	6.05	7.65	7.65	3.65	3.65	3.65	3.65
Community Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
District Court 45-B / Probation	2.90	2.90	2.20	2.20	2.20	2.90	1.90	1.90	1.90	1.60
Sub-Total Part Time	56.90	54.95	52.95	47.50	48.35	46.93	36.52	36.02	35.12	34.82
TOTAL FULL TIME EQUIVALENTS	267.90	267.95	266.95	264.50	267.35	261.93	238.52	235.02	235.12	233.82

The amounts presented under Part Time workers represent Full Time Equivalents and not actual positions. Full Time Equivalents equalizes part time hours to that of a full time worker in a like position. For example a part time worker who works 30 hours in a office that normally works 40 hours would be recorded at .75 FTE (30 hours / 40 hours = .75 FTE).

FULL TIME PERSONNEL BY SALARY CLASSIFICATION

Legislative	5	5	5	5	5	5	5	5	5	5
Exempt	11	11	11	11	11	12	11	11	11	11
Supervisory	18	19	19	20	20	15	13	13	15	15
Administrative	14	14	15	17	17	8	6	5	5	5
AFSCME	68	68	68	68	70	74	71	69	66	66
POAM	55	55	55	55	55	55	50	50	52	52
COAM	14	14	14	14	14	14	14	14	14	14
Dispatch	0	0	0	0	0	6	6	6	6	6
District Court 45-B	26	27	27	27	27	26	26	26	26	26
	211	213	214	217	219	215	202	199	200	200

Schedule 17
City of Oak Park
Operating Indicators by Function/Department
Last Ten Fiscal Years

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
City Manager										
Number of Complaints	122	66	68	72	112	164	202	130	167	160
Average Days to Complete	23.50	9.13	8.10	8.30	8.30	4.60	4.60	3.50	4.40	5.00
Public Safety										
Hazardous Violations	5,576	6,006	5,753	5,201	5,370	4,586	2,731	2,563	4,726	6,178
Total Violations	10,499	16,506	17,735	15,599	15,380	13,844	9,168	8,190	13,241	15,716
EMS Requests	1,479	1,378	1,724	1,670	1,724	1,987	2,067	2,237	2,521	2,491
Traffic Crashes	N/A	N/A	1,446	1,380	1,446	1,225	1,187	1,134	1,091	908
Technical & Planning Services										
Number of Building Permits	1,014	896	929	905	872	938	710	814	811	716
Value of Building Permits	\$9,455,536	\$9,742,664	\$20,200,733	\$7,086,481	\$12,716,735	\$9,101,942	\$6,515,615	\$10,711,218	\$9,930,436	\$9,075,580
Library										
Residents with Library Cards	15,448	15,473	15,723	15,426	15,009	15,110	14,382	15,311	17,234	19,127
Items Available	94,503	102,528	88,287	90,538	94,380	97,605	100,971	103,500	102,893	105,302
Health and Sanitation										
Tons of Solid Waste Recyclec	970.66	908.74	996.50	1,201.00	995.00	997.00	988.00	940.12	863.00	771.00
Water System										
Percent of Line Loss	9.73%	9.73%	11.34%	11.75%	11.75%	9.61%	9.64%	5.11%	10.70%	9.55%

Schedule 18
City of Oak Park
Capital Asset Statistics by Function/Department
Last Ten Fiscal Years

<u>Department</u>	<u>Fiscal Year</u>									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
City Manager										
Vehicles Assigned	2	2	2	2	2	2	1	1	2	3
Public Safety										
Vehicles Assigned	33	33	33	33	33	33	33	33	35	35
Public Works										
Vehicles Assigned	33	33	33	33	33	33	33	33	40	40
Number of Buildings	5	5	5	5	5	5	5	5	5	5
Road Maintenance and Repair										
Miles of Major Streets	20.72	20.72	20.72	20.72	20.72	20.72	20.72	20.72	20.72	20.72
Miles of Local Streets	65.33	65.33	65.33	65.33	65.33	65.33	65.33	65.33	65.33	65.33
Water & Sewer System										
Miles of Water Mains	115	115	115	115	115	115	115	115	115	115
Miles of Sewers	80.64	80.64	80.64	80.64	80.64	80.64	80.64	80.64	80.64	80.64
Recreation										
Swimming Pool	1	1	1	1	1	1	1	1	1	1
City Parks	10	10	10	10	10	10	10	10	10	10
Park Acreage	109.8	109.8	109.8	109.8	109.8	109.8	109.8	109.8	109.8	109.8